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Official Report of Debates (Hansard)

Friday 20 January 2017

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Vendredi 20 janvier 2017

Standing Committee on Finance and Economic Affairs

Pre-budget consultations

Comité permanent des finances et des affaires économiques

Consultations prébudgétaires

Chair: Peter Z. Milczyn
Clerk: Eric Rennie

Président : Peter Z. Milczyn
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CONTENTS

Friday 20 January 2017

Pre-budget consultations	F-429
City of London	F-429
Mr. Paul Hubert	
Oxford Coalition for Social Justice	F-430
Mr. Bryan Smith	
Mrs. Alma Martin	
Greater Kitchener Waterloo Chamber of Commerce	F-432
Mr. Art Sinclair	
London Health Coalition	F-435
Mr. Peter Bergmanis	
Neighbourhood Legal Services, London and Middlesex	F-437
Ms. Chelsea McMullan	
Mr. Mike Laliberte	
London Chamber of Commerce	F-439
Mr. Gerry Macartney	
Township of Dawn-Euphemia	F-441
Ms. Susan MacKenzie	
Mr. Bill Bilton	
Addictions and Mental Health Ontario	F-443
Ms. Gail Czukar	
Ms. Linda Sibley	
Ontario Council of Hospital Unions	F-446
Mr. Michael Hurley	
Mr. Doug Allan	
Child and Youth Advocacy of Ontario Network	F-448
Ms. Janet Handy	
Ms. Karyn Kennedy	
Meals on Wheels London	F-450
Ms. Sarah Campbell	
Chemistry Industry Association of Canada	F-453
Mr. Don Fusco	
Western University Students' Council	F-455
Mr. Eddy Avila	
Dietitians of Canada, Ontario	F-457
Ms. Leslie Whittington-Carter	
Mr. Dave Derraugh	F-459
We Own It	F-462
Ms. Ange Thompson	
Mr. Len Elliott	F-464
Dr. Richard Wellesley Staples	F-466
Sydenham District Hospital Board and Corp.	F-468
Mr. Sheldon Parsons	
Council of Ontario Universities	F-470
Mr. David Lindsay	
Wilfrid Laurier University Students' Union	F-473
Mr. Colin Aitchison	
Mr. Ian Muller	

Canadian Propane Association.....	F-476
Mr. Peter Maddox	
Mr. Dan Kelly	
Canadian Urban Transit Research and Innovation Consortium	F-478
Dr. Josipa Petrunic	
Conservation Ontario	F-481
Ms. Kim Gavine	
Ms. Jo-Anne Rzadki	
The Davies Group	F-483
Mr. Ted McKechnie	
Council of Academic Hospitals of Ontario	F-485
Ms. Karen Michell	
Dr. Gillian Kernaghan	
Mr. Murray Glendining	
Community Living Ontario.....	F-487
Ms. Jill Teeple	
Mr. James Taylor	
Mr. Keith Dee	
Association of Municipal Managers, Clerks and Treasurers of Ontario	F-490
Mr. Rick Johal	

LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON
FINANCE AND ECONOMIC AFFAIRSCOMITÉ PERMANENT DES FINANCES
ET DES AFFAIRES ÉCONOMIQUES

Friday 20 January 2017

Vendredi 20 janvier 2017

The committee met at 0902 in the DoubleTree by Hilton Hotel, London.

PRE-BUDGET CONSULTATIONS

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call the Standing Committee on Finance and Economic Affairs to order. We would like to resume our consultations here in London this morning. At this time, we are going to have greetings from the deputy mayor of the city of London, Paul Hubert.

CITY OF LONDON

Mr. Paul Hubert: Thank you and good morning to you all. Welcome to the city of London. I will apologize; the mayor would like to be here, but he and all the big-city mayors are meeting in Ottawa this morning. My job as deputy mayor is often to bat cleanup when he's not available.

It's great to have you here. Thank you for coming to London to give a regional perspective to your consultations. As you know, southwestern Ontario is a unique region within our province, and certainly within our country. We're really the region of mid-sized cities. Six of the 10 mid-sized CMAs in Canada are actually in southwestern Ontario.

Within one day's driving of where we're sitting today, we've calculated there are 125 million people here and in the States, which from an economic development perspective is huge. Those people are called "residents." They're also called "consumers," and we think that that's a very important, strategic piece of information.

Also, from a London perspective, we play a critical role as the largest urban centre in southwestern Ontario in terms of supporting the region, so some of the things you'll hear today are about our regional role. We see ourselves as seeking to provide leadership in commerce, in culture and in innovation.

You might hear a little bit about culture; I welcome you back to enjoy the Grand Theatre sometime, or some of the other, unique concerts that come to town. As you know, we hosted for the first time in London the country music awards, and it was a splashing success back in September.

Many are not aware that London is actually home to four universities. Everyone knows about Western, but

there's Brescia University College, the only all-women's university in Canada; King's University College; and Huron University College. As well, there's Fanshawe College, which is providing essential training to young people—actually, not just young people, because many of us, as we get a little older, need to be retooled in our skills, so that's a critical focus of ours.

As well, London is a centre for medical treatment, research and innovation, with three major hospitals and the life-altering potential in the centre for medical innovation and commercialization.

Sometimes we take for granted our health care system, and I just want to share with you just a little piece, if I could. For the past number of months, I have personally witnessed the power of innovation in our medical facilities here in London. My wife, in July, suffered a serious car accident. She blacked out, and car versus oak tree didn't go so well. But today she's walking again after spending four months in one of our hospitals, having trauma care by top-rate surgeons and some of the research that's being done at the Lindros centre on concussions. I was never a good enough athlete to actually get my bell rung, so I was safe on the athletic side. But we've seen the transition from research to practice in her treatment over the last four months. Fortunately, she is walking and will be returning to work, not just because of treatment but also the research and connecting that to treatment.

In recent years in London we have seen a surge of technology-driven companies of all sizes, from Trudell Medical and 3M medical, to Voices.com, Digital Extremes and a myriad—I can't tell you; it seems like every two weeks there's a new start-up. My friend from down the road in the KW area would also share that. That entrepreneur spirit is very much alive here in London.

We're seeking to connect hospitals, universities and businesses with a modern rapid transit system that we're calling Shift. London is the only major municipality across Canada that does not have a rapid transit system. We have a very efficient system, but we need to increase its effectiveness for economic development. We seek to be bringing that efficient, sustainable transit to the city and to the region, literally, in the months and years ahead.

I thank you for your time. We truly value your consultations today. We value our regional partners as well, the other cities and municipalities across southwestern

Ontario, because we believe that together we are better. I wish you the best today. I was saying you have such a diverse agenda—one of the most diverse agendas I have seen in a long time—so it will be a very interesting day. Thank you for allowing me a few minutes this morning to speak to you. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Deputy Mayor Hubert, for bringing greetings, and thank you very much—pass it on to the mayor. Thank you for hosting this hearing.

Mr. Paul Hubert: Have a great day. Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): At this time, I would ask the committee members if there are any questions or concerns before we go forward. No?

Before I call the first presenter, I'd just like to go over the format. Each presenter will have up to 10 minutes for their presentation. It will be followed by up to five minutes of questions from committee members, and we will rotate through the caucuses. The first caucus to give questions today will be the Liberal caucus.

OXFORD COALITION FOR SOCIAL JUSTICE

The Vice-Chair (Ms. Ann Hoggarth): If I could call on the first presenters, Oxford Coalition for Social Justice. Welcome. Could you please identify yourself for the Hansard?

Mr. Bryan Smith: Good morning. Thank you. Thanks to the committee for inviting us to attend. I'm Bryan Smith, chair of the Oxford Coalition for Social Justice, and with me is Alma Martin, a spokeswoman for our group and a valued member of our community.

We're here today to do four things:

- to set the context for our remarks by brushing a portrait provincially;

- to detail what impact financial decisions you will assist and what that will mean for rural health, specifically in Oxford County;

- to tell you the story of how these decisions have affected Alma and her family; and

- to answer any questions you might have in the time remaining.

The Oxford Coalition for Social Justice is a broad group with individual members as well as people who, by dint of their paid or volunteer jobs, engage a lot of Oxford people in conversation, in popular education and advocacy.

At a recent Ontario Health Coalition conference, it was revealed again that Ontario has the fewest hospital beds per person left in the country, that Ontario has the fewest nurses per patient in Canada, that Ontario is in the bottom rungs for funding of our public hospitals by every reasonable way of measuring funding and that Ontario has a long-term health crisis now and worse looming.

Ontario's fiscal policy—its budget—has a major impact on health care in Ontario. Health care, in the view of the Oxford Coalition for Social Justice, needs to be the

number one task of government, the number one priority for all members of the Legislature and the most significant investment to be made by the province, yet public hospitals are still being cut, services are being removed and whole hospitals closed.

0910

Public hospital funding in the 2016 Ontario budget has shrunken the real dollars available to support the health of Ontario residents. An increase of less than 1% is below the consumer rate of inflation, which is reported as 2.1% for 2015, according to Stats Canada. That follows four years of 0% funding increases or the ninth consecutive year of real dollar health cuts, meaning that hospital global funding increases haven't met the rate of inflation for almost a decade. Planned and purposeful underfunding forces local hospitals to cut ever more services.

Despite claims that make it look like all hospitals are getting an overall 2% increase, the fact is that only a minority of hospitals, usually large ones and those with specialized services, like children's hospitals and those that do organ transplants, got the 2.1% funding increase. Even so, neither this rate nor the fall announcement of some additional funds were enough to meet population growth, the effects of an aging boomer generation—that's me—and inflationary costs. To be clear, though, we're not advocating cutting monies for children's hospitals or those in large centres. We are, however, arguing for the saving of lives over the saving of dollars, for the continuance of effective and local care instead of obliging patients and their families to travel long and dangerous distances to get hospital care.

The Financial Accountability Office in Ontario has said that to meet inflation, aging and population growth, health spending needs to increase by 5.2%.

Ontario's large hospitals are in a state of dangerous overcrowding, with lengthy, sometimes catastrophic, waits for needed care. Ontario's rural hospitals are suffering due to the reductions in services and the number of hospitals. Ontario's Auditor General describes that situation—I've quoted it below, but I'm sure you're familiar with it, so I'll skip to the bottom of the next page and ask you to imagine waiting 20 hours or more in agony for appendix surgery; or imagine the parents of a child in Oxford whose appendix burst while waiting; or the woman who says, "I shouldn't be here," when recalling her own burst appendix and the hours to wait for treatment to prevent full-body infection of her body cavities.

The situation described by the Auditor General is a crisis brought on by a decade of planned and purposeful funding constraints geared toward making local hospitals cut services. In Oxford, that means that the three community hospitals, which have seen donations by many individuals amounting to millions of dollars all told—those arbitrary decisions are being made in them that are contrary to the intentions of the donors and contrary to the public's needs and wishes, and that was witnessed by 2,300 recorded comments in a recent poll we conducted.

It's also contrary to good health planning and to common sense.

Woodstock General Hospital is a relatively new site. The old building in the city has been knocked down and a new one has been built close to the 401. It serves not only local people but those foolish enough to drive on that stretch of highway.

Despite the massive investment in Woodstock General Hospital and the region's hope for it, 23 complex care beds were eliminated and hip surgeries in 2015 were postponed for at least a year, immobilizing people I know and trapping them in their homes.

In Ingersoll, the hospital has seen not only the loss of nine critical care beds, but the loss of lab services for outpatients, meaning that a private health clinic is now taking profit from taxpayers. Further, if you need a colonoscopy—and I hope you don't—you'll be instructed to drive to Tillsonburg and drive home afterwards. Tillsonburg residents, however, if they require eye surgery, are instructed to drive to Ingersoll. This may appear as a rationalization of service, unless, of course, you're driving on Highway 19 either for those services or at the same time as some of the people needing these services.

In Tillsonburg, 16 complex care beds have been removed. I can assure you that Tillsonburg, like the rest of Oxford, is not getting less complex, but when you hear over and over again from Oxford people that their eye and joint surgeries have been postponed or they've been offered services at \$2,000 in private clinics, you know you're no longer dealing with a rational solution to health.

I'm going to skip to the bottom of the next page.

For Tillsonburg and Ingersoll, the situation is dire as a result of those cuts in 2013. Oxford county is losing 15 complex continuing care beds. The mayor of Tillsonburg identified those complex care beds as frequently serving as emergency beds when the emergency department is overflowing.

In the last round of major cuts in hospital restructuring, the government did actually track and fund restructuring costs. In 1999 and 2001, the reports of the Provincial Auditor revealed the costs of hospital restructuring under the Harris government. While they did estimate that costs would be \$2.1 billion, the auditor revealed that the costs had reached \$3.9 billion, an increase \$1.8 billion over expectations. It's hard to make a fiscal argument for hospital restructuring and fatal to enforce it.

Alma is here today with me and has asked that her story and the story of Bill, her late husband, be told. Until a few months ago, I only knew them slightly as members of our community working to stop a dump that was affecting our environmental and human health.

At an event in the fall, Bill, an active Kiwanian, was seated at a table collecting signatures from the public for an environmental question because, he told me, he was awaiting knee surgery and couldn't lift or carry. He had been waiting for two years.

When surgery was finally to happen, Bill and Alma travelled to London's University Hospital, because Woodstock doesn't have the cardiology back-up needed. Knee surgery these days is routine. Bill's was anything but routine.

Bill needed anti-coagulants as regular medication, but was instructed to stop taking them three days according to a surgeon, but five days according to an anaesthetist. That made for a risk of blood clots. The risk, Bill and Alma were told, was acceptable. Nothing that happened thereafter was acceptable.

Bill was in a room with a dementia patient, where recovery was difficult because of the other man's sufferings. When he was discharged by a fourth-year medical student, he was sick. Alma, though, was hopeful that being home would help him. She could spend more time with him, rather than driving back and forth.

He got worse at home and was taken by ambulance to Ingersoll's Alexandra Hospital. It appeared that he had pneumonia. His kidney was malfunctioning. Creatinine levels were too high. He didn't get better.

The infection from University Hospital was resistant to antibiotics. He was sent again to London. There, he found himself again in a ward where rest was difficult. Alma begged—that's her expression—that Bill be moved to a private room sitting empty in the same hall. She was told that the hospital was not allowed to use that room unless he required isolation for a drug-resistant infection. He had one, contracted in the hospital, but it was undiagnosed.

After intervention, he was moved from the ward to a semi-private room but, again, less than acceptable. He was placed in with another dementia patient who was out of his clothes, who was yelling at the top of his lungs, who struck the nurse and whom it took three security people to secure. The bed beside Bill was then occupied by a man with a staph infection so serious that doctors and nurses wore gowns, masks and gloves. Bill did not have any protection from these germs other than the curtain between the beds.

He didn't get better. He did get shuttled back to Ingersoll in a transport without medical support, whose staff said that if anything went wrong en route, they would call an ambulance. The infection was not only in his lungs, it was now on his skin. He didn't get better.

There is more to this troubling story, and I'll leave it to you to imagine or to ask Alma. Alma is still in grief. I attended Bill's funeral on December 4. Alma had told me that she didn't think she would get through the telling of this story that I've shared with her permission, but that, if you have any questions, she will try to answer.

Because I've talked most of this time that you've kindly allotted to us, I would ask you again to be so kind as to talk to Alma first.

Puis si vous avez des questions à me poser en français après, je pourrai y répondre.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Smith. This round of questioning will come from the Liberal caucus: MPP Baker, please.

Mr. Yvan Baker: Thanks very much, Mr. Smith, for coming in, and thank you very much, Alma, as well for sharing this story with us.

I want to start by sharing with you where I come at this from. I represent a community in suburban Toronto. My riding has one of the largest percentages of seniors of any riding in the country. Health care is a priority in every riding, but it's all the more a priority for people in my community for that reason. Funding of care, making sure that the care is of the highest quality, that it's accessible—these types of issues are something that I invest a lot of time in and my constituents are very concerned about.

You quoted the Auditor General and talked about how there have been estimates as to the kind of funding that we would need to sustainably have to fund our health care system and meet the demands of the health care system.

Recently, as I'm sure that you're aware, the provinces have been in negotiations with the federal government on health care funding. I know that the federal government has proposed something that would see the federal share of the funding of health care decline over time.

Could you just comment on what your thoughts are on that?

Mr. Bryan Smith: With regard to the federal government, I believe that all levels of government have a responsibility to citizens they represent.

0920

I am aware that the federal government has been downloading on provincial governments, and I deplore that. On the other hand, I also think there is an opportunity for the province to intervene and to protect the health of people in the province and, in the meantime, to continue to advocate very strongly with the federal government that they should be doing their share.

Mr. Yvan Baker: Okay. I wanted to ask you, since you're here with us today, based on what you've been through and your experience, what advice would you give this committee as far as what we can do to improve our health care system?

Mrs. Alma Martin: It would have been great if Bill could have had his surgery two years earlier. He waited a long time for that. He was hopeful, because he was going to be curling and golfing and doing all the things he loved to do again.

I don't understand why we pay a CEO \$650,000 when that would pay 100 nurses' salaries—why one man deserves that kind of income, when they're so short of staff on the floors.

My husband was treated two thirds by university- and college-level students, which was wonderful experience for them, but I don't understand why we don't have more fully qualified RNs on the floor, more doctors on the floor.

I spent long days at the hospital with Bill, because he needed things and there just weren't enough hands to provide what he needed. Even the announcement now that family members can be at their loved ones' side 24/7

is just an excuse to downgrade our health system further, because it's the families who will pick up the tab for getting what everyone needs. That's what I did. When it came to basics, like water and cleanliness and helping him to wash, it was me who was doing those things, not trained nursing staff.

We just need more qualified and trained nurses and doctors to offer the care that our family members need.

Mr. Yvan Baker: Thank you very much, Alma, and thank you both very much for being here today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. Ms. Martin, we offer our condolences. We're very sorry about what you've gone through.

At this time, I'd like to thank you for your presentation. If you have a written submission that you would like to present, you must get it to the Clerk before 5 p.m. today.

Thank you.

GREATER KITCHENER WATERLOO CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): I call the next presenter, the Greater Kitchener Waterloo Chamber of Commerce. If you could please identify yourself for the purposes of Hansard.

Mr. Art Sinclair: My name is Art Sinclair, and I am vice-president of the Greater Kitchener Waterloo Chamber of Commerce. Thank you, Chair and members of the committee, for the invitation to appear before you again this year with our recommendations for the 2017 budget. I believe our brief has been circulated.

We have two issues that we would like to bring to the attention of the committee today. One is taxation of health and dental benefits by the federal government. The second issue is, I think, something that you've probably heard quite frequently across the province and will probably hear a number of times today, and that is the issue of rural school closures and rural education. We feel, as a chamber of commerce, that we have some input into that important discussion, so we'd like to share our views today.

On the first issue that we brought to the attention of the committee today, I guess I'd like to make an explanation. You'll probably see that in fact this is a federal issue. What is happening is that there is a strong rumour, an indication, around Ottawa that Minister Morneau is seriously considering taxing the private health and dental benefit plans that many employers offer.

Our purpose here today is outlined in our recommendations. There are two things that we would like the province of Ontario to do:

(1) Voice opposition to Minister Morneau on behalf of the people of Ontario and the employers of Ontario, that they do not support this proposal.

(2) We obviously would not like to see the province of Ontario consider this measure as well.

Just some brief background here: There was an article—this is included in the brief—that appeared in the

National Post before Christmas, written by John Ivison, who I think some of you around the table might recall used to be in the Queen's Park press gallery but now covers national affairs down in Ottawa. It indicated that the federal Department of Finance is looking at all the tax credits and tax exemptions that are being offered across Canada now in order to, as they say, make the system more fair.

As part of that review, they're looking at the current exemption that is placed on private health and dental plans that are offered through employers. The estimate is that if this measure were to go through, it would generate about \$2.9 billion in what is currently forgone revenue for the federal government. Again, the article appeared in the National Post in early December, so this is essentially an issue that appeared after the federal government had completed their pre-budget hearings. The interest that has been generated in this by the business community across Canada and Ontario is pretty significant, so we felt that it would be appropriate to bring this to the attention of the provincial finance committee as we move forward on provincial budget deliberations.

Again, the background is that the federal government is looking at—I think there are approximately 150 tax credits and exemptions that are overall worth about \$100 billion in forgone revenue. This is one component of that overall review. So just a bit of background here. I guess the genesis for this could be a report that former federal minister Rona Ambrose commissioned in 2015. She appointed a panel that was led by former University of Toronto President David Naylor to look at how we could make Canada—how all provinces could make the health care system more sustainable.

One of the recommendations President Naylor and his commission came back with was that we should look at—and this has been an ongoing debate across Canada for years—the use of private health and dental benefit plans and the fairness of that system to the extent that some people have them and some people don't. Instead of having the exemption for private health and dental benefits programs, what President Naylor proposed was something called the Medical Expense Tax Credit. In other words, individuals, if they were using dental benefits or other services that are normally covered by private plans, could apply for a tax credit. His proposal was that that would be funded by removing the current exemption on private health and dental plans.

From our perspective as a chamber of commerce in the business community, I think that runs somewhat contrary to what we as a business community—and I think what governments—have been trying to do for the last 25 to 30 years in Canada, which is to say that, yes, there are people who do not have access to an employer benefits plan. The issue from our perspective is that we should have a climate and a government structure—a legislative, policy and regulatory structure—that allows more employers to offer that plan. Just as an example, I know we have a number of small employers where we are in Waterloo region in the technology sector that

chronically complain—they're smaller employers—that they don't have the resources of the larger employers like an OpenText or a BlackBerry. Their chronic concern is, "We're not able sometimes to offer a comparable benefits plan because we just don't have the resources." So our argument, as a business community, has always been, "Well, we should make a legislative regime that allows those smaller employers to offer a better benefits plan so they can, in many ways, compete with the larger employers for talent."

Minister Sousa was in Waterloo on Monday with Ms. Vernile and Minister McGarry, and I brought this up. His response back was, "Yes, I thought we just went through a process"—you might recall a number of years ago something called pooled registered pension plans. It's the same principle. Pooled registered pension plans were brought in place so smaller employers had the resources to offer pensions comparable to larger employers. We're getting back into the same argument here. If you start taxing benefits plans, it's going to be more difficult for the smaller employers to offer these plans, therefore making it more difficult for them to compete with the larger employers, which was fundamentally the argument with pooled registered pension plans, which both the federal government and the provincial government agreed on, as Minister Sousa pointed out. He said, "We did that," and this seems to be somewhat contrary to that principle.

The second point on this, and I think this is very important as well, is that private health and dental plans, for the most part, offer services that are preventative in nature. They are services that ultimately keep people out of the primary health care system in the province of Ontario, so we have to consider that in this debate, and it could go for a number of years.

0930

But in terms of the cost to the province of Ontario, if all of a sudden taxes were laid on private health and dental benefit plans, and people started dropping these programs—of course, as the brief notes, the province of Quebec did this about 20 years ago, and employers started dropping their plans. That is the evidence. If employers start dropping those plans, that will place increasing pressures on the primary health care system in the province of Ontario.

To conclude, as I said before, there are two things that we are looking for from the provincial government on this: Number one, we would like to see the position of Ontario voiced to Ottawa: that we do not support this. And number two, we certainly don't want to see the province of Ontario consider a comparable plan, because the province of Quebec did it 20 years ago and, as I noted before, it has seen a drop in employers having coverage for their employees, which is certainly not a position that we want to be in.

The second area that I'd like to deal with is rural school closures. As a business organization, we are really not in a position to make any recommendations on how the funding formula should be changed. I'm sure a lot of

other groups that have appeared before this committee over the last two weeks have made those recommendations. However, I think we can contribute to the debate. You've heard quite frequently that one of the key concerns here is the importance of schools for rural development, attraction of businesses, and the attraction of investments in the rural and northern areas. I think that's certainly where we can contribute to the debate. We're quite pleased to do this at this point in time.

One issue that frequently comes up, and I've heard this in a number of pre-budget consultations that we've had in our community in Waterloo region: We've discussed the post-secondary system, community colleges and universities, but one issue that we really haven't spent a lot of time with is technical education in secondary schools. There's a lot of misinformation, I've generally found, out in the communities about the whole issue.

I've heard, in fact, that there are literally no teachers being trained in teachers' faculties. I've also heard that a lot of high schools are almost eliminating their programs. I think the truth is somewhere in between. There has been a drop, I understand, in technical training in some high schools across Ontario. There have been issues with respect to the technical education program at the faculties of education.

But generally, some of the issues are being addressed. For example, I've determined that Brock University, with their campus in Hamilton, and the University of Windsor, have recently reinstated their technical education program for teachers, which is good.

The downside is that the faculty of education at Western University here in London no longer offers a technical education program, which trains teachers to teach in high schools, which obviously is a concern.

The second issue that's very much tied to technical education in the high schools is, of course, the presence of post-secondary campuses in rural Ontario—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Sinclair. Your time is up.

Mr. Art Sinclair: Okay.

The Vice-Chair (Ms. Ann Hoggarth): This round of questioning will be with the official opposition. MPP Barrett?

Mr. Toby Barrett: Thank you, Art. You didn't get to the end of your recommendations on boosting tech education. We certainly heard that from the forestry industry during these hearings. We hear it from agribusiness and we hear it from manufacturing, obviously.

More satellite college campuses: Just given the nature of the workplace and where people are at, whether they're instructors or students, oftentimes it isn't necessarily a 9-to-3:30 course that's required for the full year, because people are busy. They're doing other things. I'm a big advocate of extension education, adult education and flexibility, customizing the courses, because there is a need. We've got to get students in there, and oftentimes they can't sign up for full-time.

Again, this business about OSSTF, to reform the experience criteria for tradespeople to enter teachers'

colleges: I used to teach tech at the high school level. This was a number of years ago. There were lots of students. They needed someone to teach agriculture. I was not required to go to teachers' college, but the need was there. You can't ask people, say, finishing up in construction or the trades to spend two years in teachers' college. Put them directly into the high schools, for example, with the kids. I've seen that before. The people I've worked with in the tech wing, they know how to do the job.

My colleague has some comments.

Mr. Victor Fedeli: Thank you very much—

Mr. Toby Barrett: I believe you had some comments back. I'm not sure, Art.

Mr. Art Sinclair: Oh, yes. I agree with you totally, Toby. There is a concern in the tech community with respect to the switch from one year to two years for a bachelor of ed.

They use the term that John Milloy essentially termed: "second career." Most people who teach tech are second-career. They've worked in a factory or they've worked as an auto mechanic, and they have decided that they want to go into teaching. Of course, they use that experience, plus two years in technical education at a faculty of education, and then they go on to teach.

There has been a concern expressed, because a lot of these people have jobs and have family commitments, unlike somebody who has just finished a B.Ed in their early twenties and they go to teachers' college for two years. That's a concern, and that's expressed by the Ontario Secondary School Teachers' Federation.

Mr. Victor Fedeli: Thanks, Art. Good to see you today.

Your third topic was energy pricing and cap-and-trade. On page 6, you talk about electricity prices increasing 383% in the last dozen years. Can you talk about the chamber's recommendation on energy and cap-and-trade?

Mr. Art Sinclair: Yes. Just briefly, there was a group of chambers before Christmas who all jointly issued a media release around December 20 to ask for a delay or deferral on the implementation of cap-and-trade, just based on the feedback that we had received from our members across Ontario with their concerns. Obviously, that deadline has passed, but there are still concerns out there. I think that's what we were doing. We were just saying, okay, you know, we were kind of late in asking for a deferral by January 1, but I think there is still a concern about the costs that are being passed down.

We've seen that already with gas prices. Essentially, the refineries have additional costs that they pass down to the consumers. Particularly from the perspective of small businesses, they have to pass those costs along too. It just means that the costs are being passed down.

One other additional thing: We tend not to look at just hydro alone; we look at the energy portfolio. There has been some concern lately that has been expressed regarding the agreement that was signed between the federal government and the 10 provinces before Christmas. I've had some businesses express concern about,

“Okay, we have cap-and-trade. BC and Alberta are going to have carbon taxes. What does that do to the competitiveness or the allocation of resources across Canada?” Also, Saskatchewan and Manitoba did not sign.

I think there are some emerging concerns about the pan-Canadian framework on climate change that was signed before Christmas, because that’s a long-term deal and we’re looking at a pretty extensive time frame here. That’s a concern as well—I would say an emerging concern within the last couple of months.

Mr. Victor Fedeli: On Wednesday, we heard from RBC’s Craig Wright, the chief economist, who said Ontario should have made cap-and-trade revenue-neutral. Would you agree with that position?

Mr. Art Sinclair: I would say so. One of the concerns we have is how that money is going to be allocated. I guess the revenues generated from cap-and-trade will go back into environmental technologies. Well, is that going to be allocated across the province—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Sinclair. Your time is up. Thank you for your presentation.

Mr. Art Sinclair: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have a further written submission that you wish to present, please have it to the Clerk by 5 p.m. today. Thank you.

LONDON HEALTH COALITION

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter would be the London Health Coalition.

Interruption.

The Vice-Chair (Ms. Ann Hoggarth): We’ve had a request to do a recording. Is everyone okay with that?

Interjection: It’s also live.

The Vice-Chair (Ms. Ann Hoggarth): Yes, it’s live anyways. Go right ahead.

Welcome. Would you please identify yourself for the purpose of Hansard. You have up to 10 minutes for your submission, and then there will be five minutes of questioning by the NDP caucus.

Mr. Peter Bergmanis: Thank you, Madam Chair. This is Peter Bergmanis, the co-chair of the London Health Coalition. To my left is Shirley Schuurman, my other co-chair.

As the committee has seen here today already in the presentations, health care is front of mind for many Ontarians. You will probably hear and be witness to a lot of testimony that’s going to buttress the same thing that you’ve heard already from our colleagues at the Oxford coalition: In spite of many years of warnings, the Ontario government has continued on a path which has led now to Ontario having the fewest beds per person in the country and the fewest nurses per patient in Canada, resulting in being at the bottom of the rungs for our hospitals by every reasonable standard of measure.

0940

It is abundantly clear that the Ministry of Health does not track the cuts and closures that are the result of the

government’s fiscal and budgetary policy. The Ministry of Health does not track restructuring costs that are resulting from the forced cuts. Though it keeps records of hospital occupancy rates—that is, how full each hospital is—as a measure of overcrowding, the Ministry of Health does not plan or require that hospitals run at safe levels of occupancy.

The bottom line is that the government has abandoned all normal public hospital system planning, and has instead planned to continually ration care with little concern for the consequences. It is the ninth consecutive year of real-dollar hospital cuts, meaning hospital global funding increases have not even met the rate of inflation for almost a decade. Planned and purposeful underfunding forces local hospitals to cut ever more services, and the devastation to our community’s hospitals is palpable.

London is a regional medical hub with two teaching hospitals comprising a combined \$1.5-billion budget. Such a sum of hospital dollars taken on its own, without the benefit of historical context, would seemingly paint a picture of a well-resourced medical centre of excellence. However, it must be understood that over the past two decades of London hospital restructuring, which also came at a very hefty price tag of \$1 billion, the city has lost incalculable health care assets.

Londoners have witnessed the closure of the London Psychiatric Hospital and the loss of a vital emergency department and intensive care unit at St. Joseph’s hospital. Losing the ICU and CCU effectively downgraded St. Joe’s Grosvenor campus from serving the community with the most medical beds in the city to that of an ambulatory care centre.

Adding insult to injury, since 2012, London Health Sciences Centre and St. Joseph’s Health Care have both been forced to make cumulative cuts of \$196.5 million, entailing the loss of some 384 health care positions. Such an enormous shift of health care dollars out of the public hospital system has had unfathomable consequences for hospital stability and the ability to provide access to quality patient care. Over 18,000 beds have been closed provincially, and over 2,000 of those acute-care beds have disappeared from service in the city of London.

With the loss of 50% of London’s psychiatric beds, mentally ill patients in the community are increasingly forced to wait days for admission, while languishing in hallways or empty rooms or, worse still, living on the streets.

The massive defunding experienced by London hospitals has necessitated reduced hours of surgery, leaving operating rooms idle, while patients wait on growing lists for elective surgery. Province-wide, a \$140-million funding increase announced by the government in the fall 2016 economic statement, while better than nothing, is so meagre that it could be consumed by the hospitals of London alone and still not keep pace with community population growth, aging or the rate of inflation.

To meet actual inflation, aging and population growth, the Financial Accountability Office of Ontario has

calculated, as has already been mentioned, that health care spending requires a 5.2% escalator, not an anemic amount of one-point-something per cent.

As staff and beds are cut, our hospitals are less able to meet communities' needs, and this translates into real, significant issues. The budget shortfall at London Health Sciences has affected vascular cardiology, mental health, intensive care, oncology, stroke rehab and other services. St. Joe's urgent care is routinely overwhelmed with patients awaiting treatment and cannot afford to remain open to the public beyond 6 p.m.

Victoria Hospital closed four of its remaining 14 palliative care beds in 2015, along with the specialized palliative care unit. Because St. Joseph's Health Care could no longer bear the burden of unfunded transitional-care-unit beds at the Parkwood Institute, LHSC lost a crucial pressure valve for dealing with patient surges in an already overcrowded hospital system.

Nearly 500 surgeries were cancelled at University and Victoria hospitals from January 2015 until the beginning of fiscal 2016 because of the funding shortfalls. It is commonplace at all hospitals, in fact, to have multiple annual OR closures or slowdown periods so as to conserve fiscal resources. Reduction across the board of operating room hours is exacerbating already stubbornly long surgical wait times. No matter that St. Joe's Hospital built a new state-of-the-art OR in 2006-07; it was downsized from the old facility, and for the past number of fiscal cycles, at least one surgical suite a day remains idle due to budgetary constraints.

St. Joseph's OR has been forced to resort to dedicated OR time for non- and partial-OHIP-covered surgery as an additional revenue stream to make up for lost government dollars.

Nearly \$12 million in cuts at St. Joe's will mean the loss of thousands of hours a year of hands-on care and vital support services. For example, the further loss of nursing positions and attendant support hours has heralded the closure of another eight in-patient beds at the St. Joseph's Grosvenor site. The dwindling bed stock at the once most robust hospital bed site in the city is now down to a mere 21 in-patient beds. The shell of an in-patient unit, as a further cost-cutting measure, is vacated every weekend. Any unfortunate patients unable to be discharged are ferried to the Post Anesthesia Care Unit, where they are housed from Saturday through Sunday, and then returned to the floor on Monday morning.

Too few professionals and vital support staff are available to meet the needs of patients, which results in poorer patient care and increased risk. Another example: Because St. Joe's Grosvenor site now lacks a CCU or ICU, any complication during surgery can evolve into a life-threatening situation requiring the transfer of the unfortunate patient via ambulance to London Health Sciences Centre. Having to transfer a patient from one medical facility to another, again, adds another level of risk to that patient's safety.

The ongoing shrinkage of hospital services and the workforce are an issue. For instance, at LHSC, hospital

administration has decided to replace in-house cleaning staff with lower paid contract workers through a private company. The Ontario Nurses' Association alleges that registered nursing staff may be forced to clean patient rooms so as to avert increased patient infections and mortality.

The consequences of hospital overcrowding warrant public attention. Within hospitals, overcrowding is associated with serious quality-of-care issues. Overcrowded emergency departments do not have appropriate staffing ratios for critical care or intensive care patients who require intensive monitoring by specially trained staff. Across Europe, hospital occupancy rates have been cited as a determining factor in hospital-acquired infections, and indeed, Ontario has repeatedly experienced waves of hospital-acquired infection outbreaks. Cancelled surgeries and prolonged waits are associated with poorer health conditions.

The dramatic depletion of staffed beds has created code gridlock, with patients waiting longer for beds to become available. Windsor is only a current case. The provincial hospital bed occupancy rate is 97.8%, much higher than other jurisdictions. Not unlike 60% of the province's hospitals, the LHSC is chronically registering over 100% patient occupancy, a situation that is neither acceptable nor safe. By comparison, the OECD reports an average occupancy rate for acute care beds of 75%. Most often cited in academic literature, a target hospital occupancy rate to reduce access blockages and improve outcomes should be 85%.

As evidenced by some of these examples, it is clear that hospital overcrowding is a serious threat to the future stability of the province's health care system, and yet Ontario has not conducted a hospital bed study to measure population need nor assessed how many hospital beds should be planned for, for at least 15 years. To the extent that data is being used at all, the numbers that are being used are two decades out of date. Instead of using an evidence-based planning approach, Ontario's health policy has centred on constraining hospital budgets, cutting services and reducing patient length of stay.

Emergency room overcrowding is epidemic amongst large and medium-sized community hospitals—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Bergmanis. We now turn to the NDP. MPP Sattler.

Ms. Peggy Sattler: Thank you very much for your presentation. Other than to commit to the 5.2% increase in hospital funding that the Financial Accountability Officer had recommended, what other recommendations do you have for the provincial government to address this crisis in health care in London and across the province?

0950

Mr. Peter Bergmanis: Certainly what we do need to do is institute a far more democratic decision-making process within the government so that true community input is taken into account. We do need independent oversight and the possibility of having a locally organized bed count for at least the city of London, but certainly province-wide—all communities deserve that. It

should not be affected by decision-making as to what the fiscal bottom line is, but as to what patient and population need is required.

To add to that, Peggy, London has now literally doubled in population size from 25 years ago. In a generation, we've literally moved from greater services available to the community to now even less. Without a properly conducted bed count based on population growth and need, all of the great efforts of the previous generations will be awash, I'm afraid, in the red ink that's going to flow.

Ms. Peggy Sattler: One of the arguments that the government has given for the reduction in hospital funding is that they're expanding services in the community. From the London Health Coalition's perspective, are you seeing any expansion of services in the community?

Mr. Peter Bergmanis: As you just heard in my presentation, there is an enormous litany of things that have been cut and services that were lost—albeit the private sector is all too willing to pick up what we shed from the public hospitals. That, again, becomes an accessibility issue. For instance, physiotherapy is now something that has been removed from the public hospital systems, and people are at the mercy of whether they actually have a private insurer that will cover them, or they have to be able to essentially pay out of pocket.

We know that as these services are depleted out of the public system, we will have great difficulty in being able to sustain the public system as it is.

Ms. Peggy Sattler: We heard earlier Alma's incredible, tragic story of her husband, who was waiting two years for knee surgery. I've heard from many, many constituents in London about wait-lists for joint surgeries. You mentioned that a little bit in your presentation, but I have the sense that this is a particular problem in London and southwestern Ontario. We know, in fact, that the wait-lists are much shorter in the GTA. Can you comment a little bit about that and the impact of wait-lists for surgeries on the health of our population?

Mr. Peter Bergmanis: Well, as you heard there, I mentioned surgeries having to be delayed or deferred because of the constraints of our budgeting system. We are now down to only a third of hospital funding as a global budget system. Now, it's more of the HBAM method, where you're paid on a per patient capita fee. This is kind of a way of driving down the costs associated, but it never really compares a community hospital or a teaching hospital to something that is done almost on a private level, where they can focus on easy cases and push them through quickly.

We find that patients, then, are sidelined because we don't have the resources, essentially, left in a hospital such as St. Joe's, which depends predominantly on public funding. We cannot meet the possible needs of all those patients coming through the door. It's a daily occurrence that we have to keep rooms shut. It increases the barrier for people getting through for their elective surgeries.

It's the absurdity of having to rely on partial- and non-OHIP patients coming in for cosmetic surgery to help fund the rest of the system.

Ms. Peggy Sattler: So rather than having a hard cap on the number of surgeries that can be performed, it should be determined by the needs of the population, the needs of the people who are waiting for surgeries, instead of this arbitrary number that the government has created.

The last issue I wanted to ask you about is mental health—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up.

Thank you for your presentation. If you have a further written submission, if you could please get it to the Clerk today before 5 p.m. Thank you.

Mr. Peter Bergmanis: Thank you.

NEIGHBOURHOOD LEGAL SERVICES, LONDON AND MIDDLESEX

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter would be Neighbourhood Legal Services, London and Middlesex. Good morning. If you would please identify yourselves for Hansard.

Ms. Chelsea McMullan: Sure. My name is Chelsea McMullan. I'm a licensed paralegal with Neighbourhood Legal Services.

Mr. Mike Laliberte: My name is Mike Laliberte. I'm one of the staff lawyers at Neighbourhood Legal Services.

The Vice-Chair (Ms. Ann Hoggarth): Go ahead.

Ms. Chelsea McMullan: Thank you. We're from Neighbourhood Legal Services. Neighbourhood Legal Services is a poverty law clinic that is funded by Legal Aid Ontario. We serve the population of London and Middlesex county and assist that population with the areas of social assistance law, employment law, landlord and tenant law, and criminal injuries compensation.

Part of our mandate is law reform and ensuring that—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry to interrupt. Could you please speak into the microphone?

Ms. Chelsea McMullan: Oh, okay. Sorry about that.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Ms. Chelsea McMullan: Part of our mandate is law reform and ensuring that the voices of those with low income are heard.

We want to highlight a few key priorities that we think should be included in the 2017 budget with respect to poverty reduction. We do understand the financial pressures that the provincial government faces, so we tried to come up with recommendations that would make a big change but would be relatively cost-effective.

Our first recommendation is to tie the rates of Ontario Works and ODSP with the rates of inflation and have ongoing increases that would keep up with inflation. We do acknowledge the increases that were made in the 2016 budget and in previous budgets, but we do think that more needs to be done in this respect.

There is a misalignment, as of now, between social assistance rates and things like inflation and the cost of living, and that leaves those relying on Ontario Works and ODSP unable to meet their basic needs. This is

especially true when considering the rising cost of hydro and the rising costs of food, especially nutritious food like vegetables and fruits. We're asking, again, that the government tie the rates of Ontario Works and ODSP to inflation.

We're also asking that an advisory committee be created to ensure that the rates of Ontario Works and ODSP allow those relying on these forms of assistance to be able to meet their basic needs.

Our second recommendation is to change how the Ontario Works and ODSP programs treat earnings from employment insurance and the Canada pension disability benefit. Currently, the gross income from those benefits is actually deducted, dollar for dollar, from the amounts that you would receive while on Ontario Works and ODSP. We're asking that the employment insurance benefit and the Canada pension disability benefit be treated in the same way as employment income.

Employment income is deducted a little bit differently in that they use the net amount rather than the gross amount. The first \$200 that you earn while working is exempt, and everything after that first \$200 is deducted by half. So if you earn \$300, the first \$200 in that is exempted and it's not deducted from your Ontario Works or your ODSP cheque. Then the last \$100 would be deducted only by half, so you would only be deducted another \$50.

The reason why we're asking for this is that the employment insurance benefit and the Canada pension disability benefit are meant to replace income, so it only makes sense that they be treated the same as the income that they're replacing. Employment insurance and the Canada pension disability are paid out in cases where you're unable to work because you've been recently let go or because you're too disabled to work, and you have to have paid into these systems in order to receive this benefit, so we think this policy change only makes sense. It will have a big impact by increasing the income of people receiving Ontario Works and ODSP, and it will also further incentivize work—which is one of the reasons why Ontario Works exists, right?

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Our third recommendation is to change the way the Ontario Works and ODSP programs treat pain-and-suffering awards and awards for medical costs. Currently, you can get up to \$25,000 while on Ontario Works as a pain-and-suffering award towards medical costs. While on ODSP, you can receive up to \$100,000 and still remain eligible for these programs. These max amounts haven't been changed since, I think, the 1990s. To put that into perspective for you, I was not alive when these maximum amounts were set. I think it only makes sense that we review these and hopefully increase them. Inflation has happened since they were set and medical costs have changed since that time.

Again, it only makes sense that we review and revise these amounts that can be received for pain and suffering. By doing that, the economic opportunities of those on Ontario Works and ODSP will be increased. It will have a big benefit for the people who receive these awards.

Our last recommendation is to create more social housing, rent-geared-to-income units. The federal government recently did consultations on a national housing strategy, and one of the things they found was that affordable housing, social housing, is an important outcome for those living in Canada. Over 45% of people who participated actually said that that was the most important outcome, so it only makes sense that the provincial government also try to make housing a priority in the 2017 budget.

There's a trend in London showing that there is increasing difficulty with maintaining housing, as the cost of housing actually eats up a large portion of everyday Canadians' income. In some cases, over 30% of their monthly income is used to maintain housing. As a result of that difficulty, there is increasing demand on homelessness programs. For example, I believe in 2013 the city of London paid for 307 people to stay in emergency shelters every day.

Following that, it's people who are living in poverty who are having this issue with maintaining their housing. Creating rent-geared-to-income units will help alleviate that problem.

We're asking that this government try to align themselves with the federal government and their goals that they are hopefully going to put forward in a national housing strategy. By creating these RGI units, the goal is to reduce homelessness and also to free up the income of those living in extreme poverty.

Thank you so much for the opportunity to speak today. Those are all of my recommendations.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning goes to the government caucus. MPP Vernile.

Ms. Daiene Vernile: Good morning, Chelsea and Michael. My name is Daiene Vernile. I'm the MPP for Kitchener Centre. I want to thank you for coming here today and for sharing your recommendations.

I was listening very closely to what you were saying on indexing pay for people on OW and ODSP, changing the way that they're taxed and looking at the issue of social housing. You are probably aware right now that the province of Ontario is consulting with people in this province on the concept of a basic guaranteed income. This would be income with no strings attached. It's aimed at trying to lift people out of poverty. Have you had a chance to look at that or comment on that?

Mr. Michael Laliberte: Yes, we have. The city of London recently had a community consultation, which we participated in. We are aware of Hugh Segal's recommendations and we fully support in principle the basic pilot project. It is something that needs to be reviewed. Our current system of Ontario Works and Ontario disability have been in place for generations and there are huge problems and deficits that we hope a basic income pilot project can overcome.

Ms. Daiene Vernile: You're on the front lines every day, seeing this issue of poverty in Ontario. Shortly after being elected, one of the first visits that I had in

Kitchener was from our local people who are providing legal aid. They came to me to express gratitude because we had just increased the rates for legal aid. In fact, we're seeing some historic investments in this in Ontario, and by next year, over the course of four years, we're seeing \$154 million being spent in legal aid. We're also raising the financial eligibility, so the threshold has now gone up.

How are you seeing these changes impacting the work that you're doing?

Mr. Mike Laliberte: We think it's important. Legal aid wasn't covering enough poor people, especially in the areas of criminal law and family law. For the clinic system, we did get a portion of the increase. Because of that, our clinic was able to expand our services into employment law, which we see as a growing issue because of the growth of precarious employment. So the increase in legal aid has been a help to us, and we hope there is more to come.

Ms. Daïene Vernile: We currently have an independent review under way because there have been some questions about budgeting. That's going to be out on March 31 of this year, I am told. Any thoughts on that?

Mr. Mike Laliberte: When you raised the rates to allow more poor people, I think it showed the need, and that's why legal aid is having problems with their budget. The demand was so great and so bottled up, I think that's what has caused some issues for Legal Aid Ontario, especially on the certificate side.

Ms. Daïene Vernile: I want to thank both of you for the important work that you are doing in your community, for helping people who need your assistance.

Mr. Mike Laliberte: Well, thank you.

Ms. Daïene Vernile: Anything else you want to share?

Mr. Mike Laliberte: No. Thank you for the opportunity to be here today.

Ms. Daïene Vernile: Thank you, Michael and Chelsea.

Ms. Chelsea McMullan: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your submission. If you have a further written submission, you could have it to the Clerk today before 5 o'clock. Thank you.

LONDON CHAMBER OF COMMERCE

The Vice-Chair (Ms. Ann Hoggarth): At this point, I'd like to call the London Chamber of Commerce. Welcome. Could you please identify yourself for the purposes of Hansard? You have up to 10 minutes to present and then there will be five minutes of questions from the official opposition.

Mr. Gerry Macartney: Thank you, Madam Chair. My name is Gerry Macartney. I'm the CEO of the London Chamber of Commerce. We represent 1,200 member firms in the city of London and region, which employ some 58,000 people.

I should start by saying welcome to London and thank you for choosing this venue. Peggy, nice to see you again. I look forward to your questions.

We have an executive summary. I think you have our material with you. The executive summary is at the back, with some very brief bullet-form recommendations and concerns that we have.

I know you heard from the Ontario Chamber of Commerce yesterday, I believe, on a broad range of issues. I'm not going to touch too much on health care and education, although we've made a couple of points today in our presentation. My focus will be, instead, on electricity rates—I know Mr. Fedeli wants to jump in on some questions on that file—and also on the debt and deficit.

Let's start with energy. We believe this province is at a crossroads. There are many companies right now deciding—

The Vice-Chair (Ms. Ann Hoggarth): Excuse me. Could you just pull back a bit from—

Mr. Gerry Macartney: Back away a bit? Somewhat too close? How's that?

The Vice-Chair (Ms. Ann Hoggarth): A little bit further.

Mr. Gerry Macartney: A little bit further.

The Vice-Chair (Ms. Ann Hoggarth): Great. Thank you.

Interjection.

Mr. Gerry Macartney: Yes. I have a booming voice; I probably don't need a microphone. Not as good as Art's, but pretty good.

Electricity in the province of Ontario: We're at a crossroads. Many decisions are being made as we speak because of the high cost of electricity, and companies are looking at other, more competitive jurisdictions, particularly with what's going on in the US. In about four hours, we'll have a new President in the United States who is talking a lot about taxing Canadian companies' exports, protectionist issues etc. So more and more we're getting concerned that we're going to be losing companies in the province of Ontario to the US.

We already have, as we know, the highest electricity rates in the G20, and we're very concerned about what the addition of cap-and-trade is going to do to our competitiveness. At best, cap-and-trade right now is ill-timed. We have already recommended that it should be postponed until we look at the sectoral costs. We have yet to see from the government what costs are going to be associated sector by sector, and we think that's ill-fated. If we don't know what impact those costs are going to have on our sectors, how can we proceed?

We've seen examples in Australia where they initiated a cap-and-trade carbon tax system in 2011 and it failed miserably because they didn't know what the impact of that was going to be. So they've repealed that act and that law. In a country that's about the same size as ours and has about the same environmental issues as ours, they found it did not work. So we're very concerned about those issues.

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I think you've heard quite strongly from Ontarians what their position is on the sale of hydro. I think the government's hearing that loud and clear, that any further sale of hydro would damage our competitiveness even further.

I think the only way we're going to get hydro under control is when we look very closely and carefully at the cost of the bureaucracy of Hydro One and Ontario Hydro. You've probably all seen the reports and the seven-page list—single-spaced, 11-sized font—of individuals who earn over \$250,000 a year in that organization. No company I know of in Canada pays that kind of money to that many individuals, so we've got a cost issue in running Ontario Hydro.

The last thing I would say on electricity rates is that tinkering—and I know we've heard from the Premier and others that they're going to do even more to reduce the cost of electricity in the province of Ontario. We have to do more than what we've seen, a lot more, to get us back to that place of competitiveness, particularly with what's going on in the United States.

I'll shift now to debt and deficit. I don't have to tell you or the government what your position is on debt. We already have the highest debt of any non-sovereign jurisdiction in the world, and growing to a number close to \$325 billion in the next five years. We don't believe balancing the budget by borrowing from reserves is the prudent thing to do. It's akin to me, you or anybody who has a home and finds themselves in a cost problem in running their home and borrowing from their RRSPs to pay for the cost of operation. That is not good fiscal management of your money.

What we would recommend is that you start looking at reducing the size of government and the annual growth rate of government and spending at about 7% to 11% in the last nine years. We've had a range of between 7% and 9% growth in operational costs for government. You can't continue to do that and continue to stack up debt. So we have to find a way to curb spending as opposed to borrowing from reserve accounts in the future.

I think I'll stop my presentation there. You've got our additional comments on education and things that we believe need to be done there.

The Ontario chamber has done an excellent job on recommendations in the health care sector. There are another two stages of that report to come out. We know that all parties have seen that report so I don't think I need to repeat that.

I would be more than delighted to answer any questions that you may have at this time.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Macartney. Mr. Fedeli?

Mr. Victor Fedeli: I appreciate your comments. We'll start on the energy side, where you talked about a lot of companies looking at other jurisdictions. I think we've really seen it here in the southwest when we talk to people who are in the greenhouse sector. We've now seen three of them leave. One talked to us recently about

doubling the size of their greenhouse and spending \$100 million to expand their greenhouse, but they did it in Ohio because of the highest energy rates. We saw another one in Pennsylvania and now a third one back into the States. That's about \$300 million and that's only three locally owned, privately owned businesses.

We heard this week from Maple Leaf Foods. I just want to look up what they actually said. They used a word you used: unpredictable. That was their biggest concern, the fact that it's unpredictable. Their rates went up 18% in 2016 alone, a \$20-million increase, and they could save 65% if they went to Manitoba.

What are you hearing from your business community? Are they testing the water? Is it a toe in the water or are some getting serious about this?

Mr. Gerry Macartney: They're testing the waters quite aggressively and for reasons that you point out. There are a number of competitive issues that our businesses in Ontario are looking at.

We're okay on the tax side. We're not too concerned about corporate tax; they've come down.

But you can't take those gains and wash them away by exponential growth in electricity rates and then compound that with uncertainty and unpredictability about the cost of cap-and-trade. They simply don't know. With the members that we and the Ontario chamber have surveyed, none of us know what the cost of cap-and-trade is. That could get exacerbated even further if the federal government elects to put a carbon tax in. Then we've got these dual systems. Neither one is affordable, but they're extremely unaffordable if you had two. I don't want to see Ontario go through that scenario with the ORPP again: We go in and we spend \$100 million to not do something, and at the end of the day, the feds change CPP and reform it. We don't want to see a carbon tax and cap-and-trade operating at the same time. It's just a cost we can't afford.

Mr. Victor Fedeli: Two days ago, we heard from Craig Wright, the chief economist at RBC. He said two things. Number one: "I think electricity is one of the many areas that makes Ontario investment less attractive." The other thing he said was that he believed that the cap-and-trade that was instituted in Ontario should be made revenue-neutral. Would you agree with both his statements?

Mr. Gerry Macartney: Yes and no. I agree with the first statement. As far as revenue neutrality is concerned, what I heard the government say is that it would take all of the money from cap-and-trade and drive it back into efficiency so we could reduce our GHG footprint.

We all want to see greenhouse gases reduced, but there are many ways to do that and there are many contributors to that problem. And they're not really in the manufacturing sector; they represent a very small part of the contribution, as they found out in Australia. Revenue neutrality might sound good, but if you're absolutely convinced that you have to do it, I would rather see the money invested back into more efficiencies in our operations and not make it a competitive disincentive for manufacturers and companies in Ontario.

Mr. Victor Fedeli: I appreciate that insight.

You talked about the government debt and deficit, and you used an expression about paying it off. We like to say using reserves is like using your MasterCard to pay off your Visa. Is that what you're referring to?

Mr. Gerry Macartney: It's a pretty similar analogy to what we're looking at. We're mortgaging the future of our children.

I'm also concerned about who owns that debt. More offshore debt ownership in the province of Ontario exists right now at about 31%. If it continues to grow, who's to say that these other sovereign nations who own that debt won't start to influence or control your policies?

Mr. Victor Fedeli: So it's not just the deficit that concerns you; it is the debt as well, then.

Mr. Gerry Macartney: Well, the debt has to be—we've never repaying the debt. Every time you have a deficit, as we all understand, you keep adding to that debt. Unfortunately, every time we hear that the government is about to balance the books or they provide you with a target year, every year it seems to change. We add another year and we add another year, and we never do balance those books. Then, if we do balance them, we end up borrowing from reserves in order to do that, back to your analogy of paying off your MasterCard with your Visa. You can't continue to do that. It's not sustainable.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Macartney. That is the end of your time for presentation. If you have a further written submission, could you please have it to the Clerk by 5 p.m. today. Thank you.

Mr. Gerry Macartney: I appreciate your time. Thank you.

TOWNSHIP OF DAWN-EUPHEMIA

The Vice-Chair (Ms. Ann Hoggarth): At this time, I'd like to call up the township of Dawn-Euphemia. Good morning. If you could please identify yourself for the purpose of the Hansard.

Ms. Susan MacKenzie: I am Susan MacKenzie and I'm with the Ontario Alliance Against School Closures. I am representing the township of Dawn-Euphemia.

Mr. Bill Bilton: My name is Bill Bilton, councillor from the township of Dawn-Euphemia. I'm a long-time politician.

We're going to let ladies go before gentlemen because that's the way it is in the submission we made, so Susan will lead off.

Ms. Susan MacKenzie: Thank you, Madam Chair. The township of Dawn-Euphemia will soon be in the throes of the Ministry of Education's directive to close almost 600 schools in Ontario, the majority located in rural and small communities. These school closures and consolidations are supported by the ministry's Pupil Accommodation Review Guideline, which was revised to bypass any consideration of the value of a school to its community, its economy and local government, the very stakeholders with whom the ministry desires to partner.

In searching for savings, the government could eliminate the \$50 million allocated to helping schools become community hubs. The Ministry of Education has alienated all potential partners and stakeholders with its flawed pupil accommodation process.

Since 2014, this government has awarded the Ministry of Education a 43% increase to their administrative budget. We can assume the additional \$6.6 million is to provide resources for the tidal wave of upcoming school closures. I'm using data from 2014 to 2016 from the education funding technical papers, as it is representative of the one year prior to the implementation of changes to the funding formula and the pupil accommodation review guideline.

1020

Throughout my presentation, I'd like to highlight some of the ministry's spending and slashing practices.

The Ministry of Education has carefully targeted specific school boards to incentivize them by covering administrative costs associated with accommodation reviews through the \$33.2-million Capital Planning Capacity program. Spending our tax dollars to dispose of the schools that we own, we feel, is no less than fraudulent, while at the same time communities must pay out of their own pockets because they are forced to prove the viability of their schools. Regardless of this, they are rising to the challenge. This is a depiction of David versus Goliath.

Base top-up funding in the amount of \$155.9 million provided by the School Facility Operations and Renewal Grant will be eliminated. This top-up allocation is critical to ensuring that supported or rural facilities are funded fairly. Under-capacity schools are natural occurrences in rural and small communities. Eliminating the base top-up funding and changes to the distance eligibility requirements for the enhanced top-up will force students out of their communities.

The School Foundation Grant, which has increased by \$22.2 million, will shift funding away from small schools to invest in larger and combined schools that are not common in rural Ontario.

No evidence has been provided to support claims that larger and combined schools will enhance student achievement. However, there is research available that shows that small schools make excellent learning environments and that, despite economies of scale, they are often more cost-effective because of their higher graduation rates.

Dr. Bill Irwin concludes that current policies ignore previous research that shows that smaller schools have a great impact within their communities. Schools are key to building a community's social capital, and the loss of a school symbolizes a community in decline. A school closure suggests that the neighbourhood's future is problematic.

The county of South Dundas reports it will take an immediate \$5.5-million hit to its local economy with two school closures. The spinoff loss is reported to be between \$15.5 million and \$17.5 million annually. Many

municipalities throughout Ontario will be facing a similar economic hardship if a moratorium on school closures is not mandated immediately.

Under the Geographic Circumstances Grant, a \$9.1-million reduction to the remote and rural allocation is due to the ministry expanding its list of major urban centres, impacting smaller outlying communities within a 200-kilometre radius.

A \$4.2-million provision to the rural and small community allocation, meant to support boards with schools in rural or small communities, will be removed.

The elimination of \$66.5 million from the Declining Enrolment Adjustment grant will create further disparity in rural and small communities because much of a school board's revenue is determined by enrolment. Since there are stable and growing enrolment areas in urban Ontario, it is seemingly unfair to punish the rural and small communities. The ministry must stop fostering this disparity.

In 2003, Dr. James Downey prepared a Rural Education Strategy report for the Ministry of Education. Funding was committed to this strategy to support the Geographic Circumstances Grant, the School Facility Operations and Renewal grant and the Declining Enrolment Adjustment, all of which are now being reduced or eliminated.

The strategy's purpose was to respond directly to the unique needs of small and distant schools in rural and northern communities. The ministry's funding approach now appears to shamefully discriminate against these communities, as the demographic and geographic factors of this strategy have not changed.

Since 2014, through the implementation of the reduced and eliminated grants, a total of \$237.3 million supporting rural and small communities have vanished. This ministry is completely out of touch with rural Ontario, and one could argue that they just don't care.

In 2002, an increase to the Student Transportation Grant was intended to assist boards until a new approach for funding was introduced. Fifteen years later, we're still waiting for this new approach.

The 2015-16 GSN technical briefing states: "The ministry will work with school boards and transportation consortia to begin collecting and analyzing data to better understand student transportation delivery in Ontario." This is bad planning and an afterthought to the implementation of a costly strategy backed by zero research.

Over a 15-year duration, the transportation grant has risen an average \$17.9 million annually. The upcoming proposed school closures will trigger a rapid escalation in transportation needs and costs, especially for rural Ontario. Based on the current funding of almost \$900 million, the transportation grant will soon exceed \$1 billion, with a potential to deliver a near-term increase of \$103 million. A 2% increase to the transportation budget, year over year, has carelessly not factored in the new carbon tax.

The increased time students will spend on a bus will rob them of extracurricular activities, play, homework

and family time. Secondary school students will not afford post-secondary education because of the dependency on after-school employment in their communities. It will become a financial and social burden to the youth and their families in rural Ontario.

Through the Learning Opportunities Grant, the ministry will provide boards with an outdoor education grant of \$17 million. This allocation, not critical to student achievement, should be applied to rural Ontario to educate students in their own communities. The Specialist High Skills Major allocation of \$18.7 million can either be eliminated or modified, as these programs are not a requirement for acceptance to college or university.

A highly contentious matter for many Ontarians is the ministry's school board bait-and-switch approach to dumping excessive sums of money into capital incentive and priority funding programs. Some \$12 billion over 10 years has been committed to new infrastructure, additions, renovations and consolidations.

In 2015, Ontario's Auditor General recommended the ministry allocate two thirds of its capital priority funding to renewals and maintaining existing schools, not to new infrastructure. This ministry continues to ignore the auditor's advice. If it is this government's agenda to bolster its number one priority of job creation by building new schools, it is very naive. Of the 600 schools under review for closure, about 35% of them might sell. Based on our local board's data, it will cost an average of \$45,000 annually to maintain a derelict school building. Multiply that by 400 schools and it will be necessary for the ministry to create an \$18-million annual derelict facility grant.

The school condition improvement allocation has created a stampede of school boards vying for a piece of the renewal funding pie. Schools in good condition with low FCIs are being closed in favour of schools with high FCIs because they command a higher volume of funding. The ministry is fully aware of these discretionary board decisions that defeat the purpose of well-maintained school facilities and waste millions of dollars.

The ministry is selling the concept that school boards have full authority to right-size their footprint. Full authority is not possible when an unfair funding formula and flawed Pupil Accommodation Review Guideline leave boards no other option than to close schools.

Leading up to the next election, it is estimated the ministry will spend almost \$1.5 billion to save \$236 million. If this is the cost of closing schools, it is time for the Ministry of Education to place a moratorium on school closures until such a time that funding is fairly aligned, the Pupil Accommodation Review Guideline is rewritten with democratic respect, and before communities suffer any further socio-economic hardship.

Thank you, Madam Chair.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The NDP caucus: MPP Sattler?

Ms. Peggy Sattler: Thank you very much for coming here today and for your detailed presentation. You began your presentation by talking about the revisions to the

Pupil Accommodation Review Guideline that took out the assessment of the value of the school to the community, the local economy and the local municipality.

My experience, as a 13-year trustee on a school board, was that even having that in the pupil accommodation guideline—

Ms. Susan MacKenzie: It didn't make a difference.

Ms. Peggy Sattler: Exactly, and so the community would be arguing through the process about the value of the school to the local economy and the community, and, yes, it didn't have an impact on the decisions that were made.

We heard earlier today, in two of the presentations from chambers of commerce, about the need for a complete review of the pupil accommodation review process, and I wondered if you could talk a little bit about how you think that process could and should work so that it actually does allow communities to participate democratically.

1030

Ms. Susan MacKenzie: First of all, the communities have to be involved long before the process. With the Pupil Accommodation Review Guideline right now, boards are required to contact stakeholders. They're mostly municipal governments, local governments and local services.

What they do is they bring them in and they say, "We have this much space left in our schools that's available. Do you want to use it?" They will say, "No." But none of these stakeholders know that these schools are going to be under review for closure. That point is never made.

What's happening with this community hubs fiasco is that this is coming into effect after a school has closed, not before. It's not doing anything. It doesn't help with programming. It's just helping the government with excess space.

Let the community decide what to do with the school. Give school councils more power. Let them raise money for renewal funds.

Ms. Peggy Sattler: Your presentation also goes into a lot of great detail about various grants that make up the funding formula. There has been a discussion for years—basically since the funding formula was introduced, or shortly thereafter—about the need to fix the funding formula.

Is it your sense that just those certain lines within the formula need to be adjusted, or do you think that there should be a full-scale look at how the funding formula is working in terms of appropriately supporting public education in the province?

Ms. Susan MacKenzie: Right now, what I based mine on was on how it was affecting rural education. It is affecting urban education as well. But the whole funding formula needs to be revamped. It was adopted from the Harris era, and the Liberals have continued to endorse it.

Also, the facility renewals: Ex-Minister Sandals at one point said that she was the Minister of Education, not the minister of schools. That was a common phrase that she would use. That is so untrue because it's the ministry that

is giving boards no option other than to close schools. They are the minister of schools.

Ms. Peggy Sattler: Right, right. You spent some time in your submission talking about the Student Transportation Grant and the implementation of consortia across the province. Can you talk a little bit about just the fiscal issues around closing schools and busing students to other areas to attend school when their local school has closed?

Ms. Susan MacKenzie: Especially in rural Ontario?

Ms. Peggy Sattler: Yes.

Ms. Susan MacKenzie: With guidelines changed as far as distances and supports, it all kind of goes back to rural Ontario and small and northern communities. There are kids who are currently on the bus for an hour and a half one way.

Ms. Peggy Sattler: Oh, my goodness.

Ms. Susan MacKenzie: That will increase to two hours, so they are going to be on the bus four hours a day. You try to tell me a grade 2 student on the bus for four hours a day is good for student achievement? It's just not acceptable.

Ms. Peggy Sattler: Right. So even taking aside the economics—

Ms. Susan MacKenzie: And the carbon footprint as well. For the Upper Canada District School Board, for example, which is all rural, they require an additional 57 buses to accommodate their school closures—57. That's 40—

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation.

Ms. Susan MacKenzie: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have a further written submission that you would like to present, it needs to be to the Clerk by 5 o'clock today. Thank you very much.

Mr. Bill Bilton: Just before we leave, I would like to thank the committee.

There was another attachment to what we submitted. We call it "OMPF—A Rural Betrayal." I would ask if you would take some time to read that. You will see that the farmland component of the OMPF has been taken out, and it's costing rural Ontario a lot of money, especially municipalities that don't have urban areas within their boundaries.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Councillor.

Mr. Bill Bilton: Thanks very much for your attention.

ADDICTIONS AND MENTAL HEALTH ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): At this time, I'd like to call upon Addictions and Mental Health Ontario. Welcome, and could you please identify yourself for the purposes of Hansard? You will have up to 10 minutes for your presentation and five minutes of questioning from the government.

Ms. Gail Czukar: Thank you, Madam Chair. I'm Gail Czukar. I'm the CEO of Addictions and Mental Health Ontario. I am here with one of our members, Linda Sibley, who is the executive director of Addictions Services of Thames Valley.

As I'm sure many of you are aware, next week, January 25, we have Bell Let's Talk Day coming up. Talking is very important, especially when it comes to working to reduce the stigma around mental illness and addiction. Increasing awareness about mental illness and addiction helps people feel more comfortable to reach out for help. But what happens when people make the call for help? Who is there to answer? Do they find the help that they need?

Sadly, in Ontario, many don't. Instead of finding the services and supports they need, most people find extensive waiting lists. It can be weeks, months and even years, especially in the case of youth, for people to be able to find the help that they need. Despite all the talk around mental health and addiction, resources have not kept pace with the rhetoric.

One in three Ontarians identify themselves as needing mental health or addictions services, and they report not getting the help that they need or having their needs only partially met. So we're here today to share our recommendations with you on how we can change that.

Addictions and Mental Health Ontario represents over 220 organizations that provide addictions and mental health services to people across the province. We provide wraparound services and supports, including counselling and psychotherapy, case management, system navigation, peer support, family support and supportive housing.

We have some recommendations to share with you today, which you have in hard copy in front of you. We're not going to follow that written submission exactly, but we will highlight a few of our key recommendations, and of course, Linda will speak to her experience as a service provider. All of our recommendations share the theme that it's time for our actions to catch up with our words when it comes to making sure that people can find the help they need for addictions and mental health issues.

Ontario spends around 7% of its health care dollars on these issues, whereas most comparable jurisdictions, such as the UK, New Zealand and Australia, spend 10% or higher. Coincidentally, the burden of disease for mental illness and addiction is also pegged at about 10%. By both of those measures, mental health and addictions in Ontario is underfunded by about \$1.5 billion a year. Another way to look at that, which is in our submission, is that it's about \$16 per capita that we're spending, whereas these other jurisdictions have spent \$100 per capita or more to bring their systems up to standard.

That sounds like a very staggering amount. We understand and appreciate the fiscal situation that the province is facing, but we can't afford to postpone our investments in mental health and addiction any longer.

The costs of untreated mental illness and addiction touch all aspects of society. For example, 200,000

Ontarians did not go to work this week because of mental health or addiction issues. They're also the drivers of health care system costs. The number of people going to the emergency room for mental health issues rose 20% in the last five years.

At the very minimum, Ontario needs to ensure that providers can continue to sustain their current service levels by providing a 3% base budget increase to mental health and addiction providers. Most organizations have long faced flat-lined operational budgets. You've heard a bit about that from colleagues from the London Ontario Health Coalition earlier: No increases to base budgets in five, 10 and sometimes more years in the community mental health and addictions sector.

Our members are also struggling to keep up with rising costs for heat, light, food, maintenance of facilities, wages. Our experience has been that when new resources are made available for mental health and addiction, which they have been over the past while, they're almost always tied to specific programs and new deliverables, which is reasonable, but they don't account for increased costs to keep up with the current. So that pattern, with frozen base budgets, results in collapsing foundations with new additions on top.

Linda?

Ms. Linda Sibley: Okay, thank you.

Thanks for the opportunity to talk a little bit about the experiences of health service providers who are delivering services for addictions and mental health in the community. I'm going to focus on two areas, one related to the flat-lined annualized funding that we've not received in that we have had targeted improvements to health services targeting specific populations or specific issues that come up in the community, but there has been no funding increase in an annualized way. As Gail has identified, what that means is that in a budget like my own, for example, the majority of my budget goes to salaries and compensation, and there's very little left to be able to do anything else with.

1040

Community-based agencies are very innovative. We have found efficiencies. We're finding ways to be much more effective in delivering services given that there have been no improvements in terms of our base funding.

We are having difficulty retaining health care professionals because of this. In my own organization, when people leave and go to other positions, it's not uncommon for them to get a \$20,000-a-year increase in salary. That doesn't speak to the quality of our services, it doesn't speak to the quality of the people who work for us, but it does speak to their own career trajectory as well as their need to pay their own bills. So we're losing constantly. I refer to it as a choreography of recruitment, hiring, training and onboarding.

The impact on the community is very significant, because people in the community who come for help develop a relationship with their counsellor. Counsellors are moving on, as anyone would, to pay their own bills, and what that does is it increases the wait times.

Although we have very innovative strategies to deal with wait times, we are having a lot of trouble recruiting and keeping the people to do this very important work. The recommendation for a base increase is really well founded on a number of levels, but just on that one alone.

We're always playing catch-up trying to recruit new people. Sometimes it's new graduates who come in, and they are looking to pay their student loans, buy their cars, get their mortgages etc., and it's very difficult for us to retain them. That's a really critical issue for us.

I would also like to speak a little bit about the waiting list issue. That's one contributing factor to why we have wait-lists. The other is demand for service, and not enough counsellors to deal with the caseloads of people who need assistance. When you have a wait time, what that does is it demotivates people. What can happen is that their mental health can deteriorate, drug use and alcohol use can increase, family and other supports can withdraw, people can lose their jobs, they withdraw from school and their motivation is affected. That makes it more difficult for them to reach out again.

We are very concerned about what's going to happen to wait-lists with the impact of the opioid crisis. I know everyone in your constituencies is concerned. We're looking west to see what is happening in other jurisdictions, and what we see is a tragic and critical situation. We in Ontario have to be ready. We have to make really solid plans. There are some plans in place, but they haven't been fully implemented. We do have some recommendations about what we should be doing to get ready to deal with the needs of the people who are going to come forward.

Like cancer, heart disease and diabetes, addiction is a health condition. We know that mental health is considered a health condition, and these issues need a long-term and well-developed strategy that isn't just a one-off; it has to continue to support people. Issues of homelessness, issues of trauma: All of these things contribute to the needs of the people who are seeking service. In particular with the opioid crisis, I think that we're going to find very, very complex individuals who need immediate assistance.

While there have been some investments, actually, over the past few years, which are welcome and have been very well received and implemented, the need is going to be much stronger. There is about a three-to-six-week wait in my organization right now in the substance abuse program, but if you're following along with the information that is being provided in the media, we know that a day or two days can be too long, and that in fact people are losing their lives. I do want to ask you to think about what that would feel like for family members, for you, for your constituents etc., because this is going to be a very serious issue.

Some programs have very much longer wait-lists. We've been lucky; we've had some investments, and so I've been able to use some innovation to reduce wait times. But youth waiting up to 14 months for treatment is just unacceptable, and Ontario has a responsibility to deal with that.

As I mentioned, waiting for service is probably the single most deflating contributor to motivation. Although people don't have to have complete, 100% motivation to come in and make change in their lives, because those of us with expertise know what to do to help increase motivation, getting them in initially is the key.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. This round of questioning is from the government, and it's MPP Martins.

Mrs. Cristina Martins: Good morning. Thank you very much for being here and for presenting this morning here in front of the committee.

Before I got into politics, I actually worked in the pharmaceutical industry. One of the sectors of focus of the company I worked for was mental health, so I had the opportunity to work in that particular sector and am very much aware of the issues that families and communities face when they have a family member or a community member who suffers from mental health issues.

You referred to Bell Let's Talk Day that is coming up soon and the importance of reducing the stigma around mental health and the importance of recognizing when someone is suffering some type or form of mental health issue, whether it be depression and recognizing that they need assistance, or whether it be schizophrenia or bipolar schizophrenia, which is another spectrum within mental health care, and recognizing that those people also need assistance. It really, truly is the community and the family members who have to come together oftentimes, to help and to remind these individuals to take their medications, or being able to take them and pull them out of their homes to get them to the doctor. So I want to commend you on the work that your organizations do day in and day out to ensure that we have the appropriate level of care for these individuals.

Our government also acknowledges the important role of mental health and addiction programs, such as the ones that your agencies provide in Ontario. That's why our government has created, as you're well aware, a comprehensive mental health and addiction strategy to support Ontarians from childhood to old age—because we know that mental health does not choose an age, does not choose a particular demographic; it really affects everyone and anyone—so that we're able to provide and support the appropriate mental health care and addiction services. We have increased by over \$500 million the funding to support programs such as the ones that you provide. The primary focus of phase 1 of our strategy has provided more than 50,000 additional children and youth access to mental health services.

Can you speak about some of the progress you have seen in mental health and addiction services in the last few years?

Ms. Gail Czukar: As Linda said, we have seen those investments and those are very positive and we hope to see more. Addictions and Mental Health Ontario, through me as a member of the provincial Mental Health and Addiction Leadership Advisory Council, is advising the government on the implementation of that compre-

hensive strategy. You'll see in our written report that we are highlighting five of the core recommendations coming forward, to ensure that that strategy meets its goals.

We're looking at a core set of services so that we have these services through those investments across the province, so it isn't different depending on where you live, because although, as Linda said, her agency and others have been able to implement a lot, in other areas of the province there's nothing available, particularly on the addictions side.

We also need more supportive housing. Supportive housing is a need that has been identified. The government has identified a homelessness strategy. We have identified targets of 30,000 units over the next 10 years. It would make a huge difference to people's ability to recover if they have the support of good, supportive housing.

We're looking at access to psychotherapy. That's something you've no doubt read about in the media. That's a very targeted investment that's needed. As we know, many middle-income and lower-income Ontarians have no access to psychotherapy. Our agencies deliver that in a very cost-effective way, and we would like to be able to do more of that, because we can do it well.

We need to improve youth services further. The increase in emergency room use is largely on the side of youth and children and families. That's not a good way to provide services.

Finally, the most unsexy part of the strategy is data and performance measurements. If we don't have that infrastructure to support all of the other investments and be able to say, "This is how far we're getting with this," we can't continue to give good advice, and the government can't make good decisions about where to invest further.

1050

Mrs. Cristina Martins: You spoke briefly about the opioid crisis and how important it is for us to continue investing, and that you've recognized the investments that the province has made, that our government has made to date for this particular area—

The Vice-Chair (Ms. Ann Hoggarth): Thank you. Time is up.

If you have a further written submission, if you would please get it to the Clerk before 5 p.m. today.

Ms. Gail Czukar: I think we've given it, and we'll send a slightly revised version with new dates.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

ONTARIO COUNCIL OF HOSPITAL UNIONS

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call upon the Ontario Council of Hospital Unions, please.

Good morning. If you could please identify yourselves for the purposes of Hansard, and then you will have up to 10 minutes for your presentation, and then there will be up to five minutes of questioning from the official opposition.

Mr. Michael Hurley: Thank you so much for having us here to do the presentation. My name is Michael Hurley. I'm the president of the Ontario Council of Hospital Unions of CUPE.

Mr. Doug Allan: I'm Doug Allan, a researcher with the Canadian Union of Public Employees.

Mr. Michael Hurley: Doug is going to talk about numbers for a few minutes, and then I'm going to make some comments.

Mr. Doug Allan: There is a growing crisis in our hospitals. The Financial Accountability Office, as you heard earlier today, has put cost pressures for health care at 5.3%, a slight revision upwards from the earlier estimate of 5.2%. Others have put the cost pressures at a significantly higher rate, about 1% higher. Health care funding increases have actually been only a minor fraction of that for a number of years, and hospital funding increases have been significantly less than that as well.

We do note that in the last year, there has been some improvement in the funding increases for hospitals, and we do recognize that as a positive step. The debate, as we see it, has turned from harsh austerity to how to spend the emerging new money that is occurring.

So far, since September, we have seen announced expenditures for tax cuts, around hydro, child care, and, less prominently, for hospitals, which was significant. Nevertheless, funding is still far short of the cost pressures, as has been the case for many years. Hospital funding per capita was, for many years, similar to the rest of Canada. Since 2003, it has fallen far back of that. Funding on a per-capita basis for hospitals is now 25% more in the rest of Canada than it is in Ontario.

Ontario has become an outlier in terms of hospital care. This has occurred despite both an increasing median age in Ontario and now a median age that is the same as the rest of Canada. This has led to serious reductions in hospital care, as Ontario has become an outlier in hospital care.

Mr. Michael Hurley: Thanks, Doug.

These pressures are, among other things, hollowing out hospital care in rural communities and forcing the consolidation of services into major urban centres. They are creating significant access problems.

We have a system that is operating at 97% capacity. Some hospitals are operating at 106%. In other jurisdictions like the United Kingdom, operating at over 85% would be seen as unsafe. In fact, we have an enormously high number of deaths in Ontario due to hospital-acquired infections, a level that wouldn't be tolerated anywhere else. It's exacerbated by overcrowding and it's exacerbated by the cuts that have happened to infection control and hospital cleaning.

We've got a crisis in the hospitals in the province of Ontario. We're underfunding them about \$325 per citizen less than other jurisdictions. We're facing a demographic problem, because an aging and growing population is demanding more and more acute care services, and we have a short-term problem of dealing with that. The way to deal with that is not to reduce capacity.

We're here today to plead with all parties to reconsider the corporate tax cuts, which really are at the root of the fiscal problem, which has highlighted health care expenditures and put the government in a position of cutting those expenditures in health care for the last eight or so years. We've had real budget cuts in both long-term care and in the hospital sector. Those really need to be reviewed.

We were modestly encouraged by the mid-term announcement that the government made in terms of increasing hospital funding, but in the most generous way of reading the government's commitments to the hospitals for this fiscal year, that would still leave the hospitals more than 2% under their real costs, which means that in effect, they're cutting by that amount, and they have been cutting by that amount, or more, for each of the last eight years as they've been underfunded.

The other point we'd like to make is, we focus a lot of our attention on the fiscal policy and the hospital funding policy of the Liberal government. As I said, we were modestly encouraged to see a bump-up in the mid-term announcement. But we would be very interested to hear more fulsomely from the Progressive Conservatives and the New Democratic Party, in the shadow of the election, about what their vision is for hospitals in rural communities, what their vision is in terms of restructuring and what their vision is also in terms of funding hospitals, because we have a situation where hospitals are unable to meet the needs of their communities and are effectively turning people away, in many cases. Older people especially, the elderly, in our view are being denied access to care which they desperately need.

The whole thing is being predicated upon a myth that there is home care available—and it is a myth, because most families find that when their loved one is discharged from an acute care setting, in fact home care is almost impossible to find in the quantity or quality in which it would be required.

We're asking you to reconsider these, in the shadow of the upcoming budget. We really appreciate the opportunity to be able to be here today to make these comments.

Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The questions will go to MPP—that MPP.

Mr. Toby Barrett: Thank you, Chair.

The Vice-Chair (Ms. Ann Hoggarth): Sorry, Toby.

Mr. Toby Barrett: Toby Barrett, MPP down in Haldimand—Norfolk, a rural area.

We accept the challenge, of course. Health is always underlying; it's a predominant priority. Of course, we hear so much about electricity. We hear about electricity costs from hospitals, actually. I think I should mention that.

You mentioned the Financial Accountability Office and their indication of a requirement in additional spending, and gave good reasons: inflation and, as you mentioned, an aging, elderly population.

I guess I don't know anybody who is against home care. You've made mention of that as well, that there

could be a lot more done with respect to home care. I find it seems to work fairly well in my area, but of course we know there's yet another restructuring going on, as far as the CCACs and the transfer of responsibility to the sub-LHINs.

I just wonder if you want to briefly follow up on that, and then my colleague does have a question.

Mr. Michael Hurley: Sure, Mr. Barrett. Thank you very much for your question. The problem that we have in Ontario is that we have the least acute-care hospital capacity of any province in the country, or any country with a developed economy in the OECD. We have the fewest beds-to-population, the fewest staff for those beds, the shortest lengths of stay, the most efficient hospital system, but it's operating bursting at the seams, and it's accommodating what are real-term budget cuts by cutting services in reorganized institutions, which are sucking the life out of small-town community hospitals, closing obstetrics, pediatrics etc. in those communities, to be able to sustain life in the larger urban hospitals.

Home care: Everybody of course endorses the notion that people who are discharged from hospital should be taken care of at home to the extent that that's possible. But the investments in home care are also threadbare, relative to the size of the population and its acuity on discharge. Because we have the shortest lengths of stay, we're sending people home who are still acutely ill, who, in New Brunswick or Saskatchewan, would be accommodated in a hospital setting. Are they provided with home care that in any way reflects the acuity of their illness? I don't think so. In fact, it's very difficult to obtain home care of the quality or quantity that you would require to sustain a family.

1100

Mr. Toby Barrett: Yes.

The Vice-Chair (Ms. Ann Hoggarth): Mr. Fedeli?

Mr. Victor Fedeli: Thank you very much, Mr. Hurley. Thank you for being here as well, Mr. Allan.

Your words were that we have a growing crisis, and then you outlined several areas. You talked about the fact that you were modestly encouraged when you heard of the—it was a small amount, but at least it stopped the down and it started to go up. Were you aware that \$107 million was removed from the Ontario Lottery and Gaming Corp? There was the OLG \$107-million funding in the budget two years ago and not in this last budget. Were you aware of that?

Mr. Michael Hurley: Mr. Fedeli, because I follow your regular communications, I was aware of that. Thank you.

Mr. Victor Fedeli: I trumped my own question.

So if you were modestly encouraged, were you modestly discouraged when you saw the \$107-million cut?

Mr. Michael Hurley: The hospitals—I mean, there's that, Mr. Fedeli, but also the very well-intentioned constraints on hospital parking fees. There are other initiatives which inhibit hospitals financially. They really need to be provided with funding which is not lurching

from mid-term announcement to annual budget. They need to have an ongoing commitment of stable funding so that they can plan properly and so that they can be not operating in a kind of ongoing crisis restructuring mode. They've been in this revolutionary mode since the 1990s: reorganizing, restructuring, lean production and downsizing. Right? It's not an environment that's optimal for acute clinical care.

Mr. Victor Fedeli: You talked about the elderly being denied access to care. I think I may have told you then the story about my mother, who was admitted. She's 83 years old and spent 12 hours in the hallway of our hospital, which had just closed 60 beds. Is this the kind of thing that you're talking about or is it deeper than that?

Mr. Michael Hurley: No, I think that's a symptom of the very real problem. Sometimes the elderly have difficulty getting access to acute care services at all on the presumption that there are only so many beds and so many services to be had, and it should be allocated to people who are younger and healthier.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. If you have a further written submission that you would like us to have, if you could submit it to the Clerk by 5 o'clock tonight, that would be great.

Mr. Michael Hurley: Thank you for having us.

CHILD AND YOUTH ADVOCACY OF ONTARIO NETWORK

The Vice-Chair (Ms. Ann Hoggarth): I would like to call on the Child and Youth Advocacy of Ontario Network. While the PowerPoint is being set up, if you could please give your name for the purposes of Hansard.

Ms. Janet Handy: Thank you, Madam Chair and members of the committee. My name is Janet Handy. I'm the executive director of the Kristen French Child Advocacy Centre Niagara. With me today, representing the Ontario network of child and youth advocacy centres in Ontario, are Karyn Kennedy, CEO of Boost Toronto; Jennifer Jackson, executive director of the Child Advocacy Centre of Simcoe/Muskoka; and Laura Muirhead, executive director of the Child Witness Centre in Waterloo region. Also here today is Shelley-Ann Solomon, in the audience, from the London Family Court Clinic, who coordinates the London area's CYAC steering committee.

Others who could not be here today are representatives from Cornwall CYAC and CYAC developments in Windsor, Ottawa, Sioux Lookout and Durham region, and those representing collaborative CYAC discussion committees under way in Peel, Kingston, Lanark county and North Bay.

We are here today to speak to the need for core funding of Ontario-based CYACs. CYACs are coordinated and comprehensive child abuse investigation and support sites geared to respond first to the needs of children and youth who have experienced child abuse.

While physical abuse might be the most visible form of child abuse, other types of abuse, such as sexual and

emotional abuse and neglect, and witnessing violence, also leave deep and lasting scars.

Child abuse is a reality in every community in this province. Together with our provincial government, we can and must do better to protect our children. Based on statistics from Stats Canada, there is a 6% increase in violent sexual crime against children. Internet luring saw the highest increase. One in three girls and one in six boys experience some type of abuse before the age of 18. The average age at which young girls are groomed for future human sex trafficking starts at 11 and a half years old, with active engagement starting as young as age 13. Children make up 22% of our population but comprise 55% of sexual assaults.

A 2008 national survey from the Children's Health Policy Centre found 85,440 cases of child abuse, or 1.4% of Canadian children who had experienced significant maltreatment. That number has significantly increased since 2008. For every case that is reported, another case goes unreported.

CYACs offer hope, help and healing to children, youth and families impacted by abuse. In Ontario, there are currently five operating child and youth advocacy centres, three more close to opening and six more in discussion. In Canada, there are now 32 centres established or emerging across all provinces. Alberta has already established support through changing legislation and joint ministry collaboration. Ontario could lead the way in central Canada.

The innovation, collaboration and compassion of our entire community come together under the CYAC model to work towards the day when no child is abused. We have 30 years of evidence from the US and other countries to show us that this is an effective model for children and families. Research on US communities that are using a CYAC collaborative model note that:

- There are more coordinated and collaborative investigations than when community partners work independently one from another;

- Children are more likely to be interviewed in a child-friendly facility and receive a forensic medical exam;

- CYACs refer more children for mental health services;

- Parents whose children receive services from CYACs are more satisfied with the investigation process and interview procedures; and

- Children who attend CYACs are more likely to state that they were not scared during their forensic interview than those interviewed elsewhere.

What one Ontario family has said: "Having all of it under one roof so we didn't have to keep repeating the information, or search out services was very helpful and made dealing with everything much easier and less emotionally draining.... Thank you so much."

The CYAC model provides a comprehensive wrap-around of support. It's a child-friendly environment where a team of professionals works together under one roof to serve the best interests of the child. The model

minimizes system-induced trauma. Professional representatives within the centre do their specific jobs, but also share information and coordinate activities, within the centre but within the wider community as well.

Follow-up support for mental health needs as well as comprehensive support throughout the investigation process is the goal of every CYAC multidisciplinary team. There is a reduction in the fragmentation of services within communities, ensuring that children and their families get the supports they need when they need them.

A CYAC is a multidisciplinary collaboration that encourages joint investigation that brings together the combined expertise of evidence-gathering from police and the child protection mandates of child welfare partners. These mandates then blend with treatment, prevention, education and research expertise. Collaboration reduces duplication, making a better use of justice, welfare and health resources directed at young victims and their families. It allows for the development of comprehensive legislation to support better communication and case collaboration across the province.

It champions our collective efforts by reducing the isolation of each partner. It improves skills, working relationships, and respect for roles between partners and services. Our collective efforts increase the chance that children can move forward from trauma and reduce the potential for repeated future harm.

The CYAC model offers increased value to the overall system as well. We proactively advocate for prevention and systemic change. We increase the review of case management together, reducing the risk of future investigation mishap and gaps in child protection oversight. Our advocacy role with partners on behalf of children and families identifies and responds to gaps in service provision beyond investigation.

Studies have well established the association between child abuse and subsequent mental and physical health. There is impairment in a broad range of domains, including mental health, physical health, education, criminal behaviour and interpersonal functioning. Without intervention that is comprehensive, collaborative and preventative, we know that a child who suffers abuse is 30% less likely to graduate from high school. We know that a youth who suffered abuse may run away from home, becoming 26 times more likely to be homeless. We know that an adult who suffered abuse may struggle with drugs, alcohol, depression or other mental health issues, thereby engaging in criminal activities, being two times as likely to be arrested.

1110

Current research in CYACs across the country will produce evidence-based Canadian findings that we can use to inform policy and prevention efforts aimed at reducing root causes, reducing child abuse and violence, and achieving better health outcomes.

Reducing the need for later intervention is a critical aspect of doing the job right in the first place. We know that the sooner a child receives support, the greater the

chance that child or youth can integrate new and healthy perspectives that can change the trajectory of a young person's life.

Championing community collaboration gives us all a fighting chance to provide a positive social return on our investment in children and youth, our most vulnerable citizens. Developing lasting interministry partnerships will in turn encourage lasting interagency partnerships.

It's time to realign our previously divided ministry investments into an integrated expenditure of dollars to ensure CYACs can effectively respond to this issue now. Our request reflects a commitment of \$2.5 million per year, with funding shared across four ministries for the next three years, to support six established CYACs in Ontario. This amount will of course need to be re-evaluated and likely increased as existing CYACs regionally expand, developing ones open their doors, and new CYACs across the province emerge.

CYACs are not going away. Included in your package are a number of resolutions passed in municipalities and regions across the province asking for a funded, coordinated provincial response to assist in our work to stem the growing social ills we are facing, social ills directly associated with untreated, unreported child abuse experiences and the fragmented system of response to this fundamental crime against our children and youth.

Premier Wynne has said, "Our government will build Ontario up. Ontario will be the best place to live, from childhood to retirement." The CYACs of the Ontario network have committed to making Ontario a safe place for children to grow and thrive. Well, for one in three girls and one in six boys in Ontario and Canada, our communities and homes are not safe. Communities should not have to fund a comprehensive response to child abuse alone. We are in this together.

Thank you for your time. My Ontario network colleagues and myself are ready to answer any questions you may have.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. This round of questioning is from the NDP, and it will be MPP Sattler.

Ms. Peggy Sattler: Thank you very, very much for your presentation, I learned a lot about CYACs through the Select Committee on Sexual Violence and Harassment. One of the eye-opening things for me throughout that committee was the number of adult survivors of sexual violence who had been abused as children, which speaks directly to the importance of the services that you provide.

I see in your note that it says the London CYAC collaboration "has just been granted federal funding to support its initiative." For the CYACs that are currently existing and the new ones that are in development, is it a patchwork of funding that you have to draw on to operate? How are you currently funded?

Ms. Karyn Kennedy: It is a patchwork. We're funded by a number of sources, and each centre is required to do significant fundraising. I'm in Toronto: We raise about half of our budget through fundraising activities. The

money from the federal government was intended to be start-up money. Once a CYAC is established, that funding is no longer available. So the Kristen French centre, for example, is not able to draw on that funding because it existed previously. But the rest of us are spending as much time fundraising as we are doing any other kind of work in our centres.

Ms. Peggy Sattler: For each ministry funder, are you expected to prepare separate reports? You're coordinated as a one-stop access centre.

Ms. Janet Handy: Yes.

Ms. Peggy Sattler: Is there coordination within the government to—

Ms. Janet Handy: No.

Ms. Peggy Sattler: No? Okay.

Ms. Janet Handy: That's what we're asking for.

Ms. Peggy Sattler: Okay. Are the four ministries that you have identified in your submission currently providing some of those pots of funding? Do you get any funding from those four ministries?

Ms. Karyn Kennedy: No. None of those ministries have allocated any dedicated funding to child advocacy centres. Some centres have other programs that are funded by some of those ministries.

The reason we indicated those four ministries is that they represent the service partners that are providing services in CYACs: police, nurses etc.

Ms. Peggy Sattler: John, did you have a question?

Mr. John Vanthof: No.

Ms. Peggy Sattler: Okay. Your ask is for \$2.5 million each year for three years, so that would be \$7.5 million altogether. Are you seeing that each of those four ministries would have a piece of it?

Ms. Karyn Kennedy: Yes.

Ms. Peggy Sattler: Okay. And that would go to the established CYACs, and then as new CYACs come on board, there would have to be a revision to that budget so that they would be—

Ms. Janet Handy: Yes. With the federal funding, there's a chance for people to get up and started. It's the ongoing sustainability that's the problem. That's the piece we're talking about. There are six established. We've been raising our whole budget for eight years, and our budget is around \$400,000 for the Niagara region.

Ms. Peggy Sattler: And does each CYAC operate the same, or is there variation according to the specific community in which they operate?

Ms. Janet Handy: There are regional differences in resources that are available. Sometimes one partner may do several pieces of a puzzle, but the idea is that there is a multidisciplinary team that collaborates on investigation and follow-up support. Sometimes that follow-up support can be different people in the community who provide mental health services, play therapy, long-term counselling and so on, but that joint multidisciplinary team needs to be together from the beginning and includes case review, joint investigation, follow-up support and ongoing management of families' needs.

Ms. Peggy Sattler: You spoke of the research that has validated this approach. How many other jurisdictions have this kind of coordinated model?

Ms. Janet Handy: I believe there's something in every province now.

Ms. Karyn Kennedy: There are 32 centres in some stage of development across the country. There are 900 centres in the United States. They have well-established centres that have existed for 30 years.

Recently, the Sheldon Kennedy centre in Calgary completed a social-return-on-investment study that showed that they are saving about half a million dollars a year that's reinvested back into their system. We are about to embark on a similar study in Toronto.

Ms. Peggy Sattler: Oh, excellent. When will the results of that study be available?

Ms. Karyn Kennedy: Probably by the fall, I would think.

Ms. Peggy Sattler: Okay. And these are dollars that are saved versus accessing those separate services if the CYAC didn't exist?

Ms. Karyn Kennedy: Yes, because you have all of the partners working together in a coordinated fashion. Just to be clear, all of the other stakeholders—police, child protection—we're not asking for funds to pay their salaries.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission, if you could please have it to the Clerk before 5 o'clock today.

Ms. Janet Handy: Thank you very much for your time.

MEALS ON WHEELS LONDON

The Vice-Chair (Ms. Ann Hoggarth): I call on Meals on Wheels London to come forward, please. Good morning. Could you please identify yourself for the purposes of Hansard? You will have up to 10 minutes for your presentation, and then there will be up to five minutes of time for questions, and it will be from the government members.

Ms. Sarah Campbell: Hello, and thank you for the opportunity to address this committee today.

Our public servants' and politicians' work is relentless—

The Vice-Chair (Ms. Ann Hoggarth): Excuse me. Could you please identify yourself for the purposes of Hansard?

Ms. Sarah Campbell: Sorry. My name is Sarah Campbell, and I'm the executive director of Meals on Wheels London.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

Ms. Sarah Campbell: Our public servants' and politicians' work is relentless, from my viewpoint. Working alongside many in government now, I appreciate your passion and resolve to maintain and pursue improvements and to make investments that serve the full population. I just wanted to begin by thanking you.

Our local organization provides over 115,000 meals annually and over 10,000 drives to medical appointments through the dedicated service of over 350 volunteers. We are incredibly proud of our service model, which our clients tell us is helping them maintain health and independence living in their own homes.

Today I would like to share two key areas of concern that may be able to be included in this year's budget and could make great impacts on seniors and people living with disabilities in the community. As a leader who seeks to find innovative solutions and challenge the status quo, I will provide feedback in the structure that I find helps to move agendas forward best: to highlight what needs to start, what needs to stop and what we should continue in each instance.

First, I'd like to talk about nutrition and its impact on communities. Food is fuel, food is connection and food is essential. I don't think that we would argue on these points. Meals on Wheels delivers more than a meal, and I'd like to explain what else comes with our nutritious meals.

1120

First, we deliver peace of mind. For caregivers and clients alike, the knowledge that someone is coming to see them and check in is as essential as the meal. Due to this safety check and follow-up procedures, over 1,000 follow-ups were made last year, ensuring the safety and well-being of our clients. Outcomes ranged from trips to the hospital to simple follow-up, but every interaction let our clients and caregivers know that they are not alone.

We deliver connection. That short, friendly interaction at the door between client and volunteer can often be the only face-to-face interaction our clients have in a day. They tell us it's as nourishing to them as the meal itself.

And third, all of our direct service—the delivery and the driving—is provided by volunteers. Meals on Wheels London has an average tenure of eight years for a meal delivery volunteer, and it's because they see first-hand the impact of their effort, the difference they are making and the benefits they get by doing the work.

Nutrition must be funded adequately. Though we are a LHIN-funded organization, the overall funding to our program has been largely stagnant with only a 1% increase in the past five years, and in some areas across our province even less. Currently, our meals delivery service is funded at approximately \$2.86 per meal. This doesn't begin to cover the actual cost of the service, which averages about \$12. We do charge clients for meals, but clearly, with rising costs and funding not keeping pace, our ability to ensure affordable rates, particularly to low-income folks, is challenged. For my organization, this has meant a shift in focus to fund-raising, which now is now raising over 10% of our operating budget and is allocated largely to subsidizing meals for those with low incomes.

So what do I want you to do? Start asking questions about funding nutritional programs. Make sure that the funding includes increases for anticipated rising costs of food. Make nutrition, food security and access to food

key strategies in health, education and community development programming.

Stop underfunding nutrition. Nutrition supports good health. It is prevention, it is restorative and it can bring healing. A study that our fellow Meals on Wheels organization in Texas ran showed that for people who had received daily meal support prior to hospitalization, their length of stay was reduced by an average 1.6 to 2.8 days. Supporting nutrition programs can reduce costs in other areas of our health care system if done in an intentional and consistent way. As an aside, we're looking at partnering with the University of Western Ontario to replicate that study locally.

Continue to support home and community care. As the Ontario Community Support Association clearly indicated in their presentation to this same committee, a day spent in hospital costs on average \$450 a day, a day in long-term care costs approximately \$150, and in the home or community setting it only costs \$45 to support people. As you continue to support community supports, be clear that lower-cost early interventions such as Meals on Wheels can provide the greatest impact per dollar by delivering daily contact, basic needs and the building blocks of health for approximately \$12 per day per client, and it costs the taxpayer less than 50% of that. I challenge any other service to have as profound an impact for as little investment from taxpayers.

Secondly, I'd like to address a concern pertaining to the timelines of funding initiatives. Meals on Wheels London has been working with the Ministry of Health for many years on providing funding to organizations that have personal support workers working in the community. We administer the PSW training program, which provides funding to organizations for certification or enhancement training for their workforce. This program has been running for nearly 20 years, to my knowledge. However, over the past several years, these funds have been approved later and later in the year. In fact, though we are in the last quarter of this fiscal year, funds are yet to be approved and released for 2016-17.

I want to share with you how this lateness in funding is impacting our partner organizations. First, they do not have enough certified PSWs in their communities to do the work that is required and are often sharing staffing resources across organizations and/or they have to create wait-lists for services. Second, they're having difficulty fulfilling their contractual obligations to CCACs or LHINs due to lack of appropriately trained staff. And finally, they are becoming very untrusting of this funding because of the repeated pattern of it coming later and later, and now it is having deep implications on their ability to workforce-plan appropriately to meet their needs.

These challenges at the organizational level are tough to navigate, certainly, and are creating tension, burnout and exhaustion in our system. This said, the greater sadness is the caregivers who call at wits' end because they can't get help in a timely fashion, or the client who sits in their own soiled garments, waiting for their turn to

be visited by a PSW. We can and must do better for Ontarians and support community-based PSWs better if we want to fully implement the Patients First legislation goals of well-coordinated, timely and patient/family-centred care.

Please start to release these funds in a consistent and predictable way to the agencies that require them to train new PSWs and enhance the training of PSW services to their clients. Stop providing this funding so late in the fiscal year. It takes a minimum of eight months to train a PSW, and organizations need to be certain of funding before investing large sums towards training. Last year, funds were released on March 9, so only 25% were actually used.

Please continue to fund this program. The LHINs that we serve, Erie St. Clair and South West LHIN, indicate that we have a need for PSWs in our organizations that apply year over year, and ultimately the people of Ontario need these well-trained, adequately supported PSWs available to help maintain health at home.

Thank you so much for your willingness to hear me out on these two topics. I recognize that this process sparks dialogue, so presenting to you is already of benefit to our seniors and people with disabilities that Meals on Wheels London serves. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. MPP Vernile.

Ms. Daiene Vernile: Good morning, Sarah. Thank you very much for coming and appearing before this committee, telling us all about the work that you do, and for the recommendations that you have made. In my region, in Waterloo region, our Meals on Wheels is handled by Community Support Connections. Are you familiar with them, by chance?

Ms. Sarah Campbell: We are. We're working very closely with them on some social innovations and strategies for getting frozen meals made, actually, out of your location and coming here.

Ms. Daiene Vernile: I've had the opportunity to visit with them on a number of occasions and to help them with their work. It's very impressive to see the work that they're doing.

The first thing that I want to do is to thank you, all of your employees and all of the volunteers, for the important work that you are doing every day. Thank you for that.

You made a comment, and that was that food is fuel, nutrition. We heard this over and over again during our consultations on the basic guaranteed income. We're considering a pilot in Ontario. There has been a group travelling across the province getting feedback at public consultations. I want to hear your comments on that concept in terms of mitigating poverty, lifting people out of poverty and addressing the issue of nutrition. Of course, a guaranteed income would be income for people who are low income, with no strings attached.

Ms. Sarah Campbell: I'm very familiar with the proposal. In fact, the city of London has had a mayor's panel on poverty, which I participated in. I continue to

work with some poverty initiatives in the city around this, many of which have made public statements about their support of the guaranteed income.

Particularly for our clients, I do think that this is a fabulous initiative. I think it would make a world of difference for people. Choice is crucially important, and we're noticing that even with our nutrition programs, people want to be able to choose how they are supported and what supports they reach out to.

When you're on a low income, there are very few options for folks. I believe this initiative that's being proposed would really create a lot more choice for individuals. I think that what we would notice is that people would make the right choices, the best choices for themselves to live healthy and engaged lives.

I just want to give an example of that. As I mentioned in this presentation, we subsidize meals for low-income folks, so we have some clients—in fact, 30% of our clients receive an additional subsidy to be able to access this food, and even with that subsidy, they're telling us they can't afford it. At \$4 or \$3.50 a meal, it's still too expensive. So we've looked at other ways of addressing that need, and there really are very few other low-income options for folks. We've delivered, for example, food boxes from the food bank to people and things like that for free, but it doesn't meet the nutritional needs of our folks.

I believe that the guaranteed income would give people the opportunity to meet their needs in the way that best suits them and that they would in turn bring that health back to the table.

1130

I'm going to tell a little story. This is from a client out in Middlesex county. He had recently lost his wife and, right after she passed away, had to have a hip replacement. That's how he came to Meals on Wheels services.

At the time, he was so distraught and unable to get meals for himself that he confided in me that he had, in fact, been eating his cat's food. He was just really distraught and unable to care for himself. Through coming onto Meals on Wheels services, not only did he begin to eat healthier meals, but he also became friends with the Wednesday driver. Her name was Shirley.

He is receiving these meals, and he calls me up and goes, "Oh, I'm really enjoying my food. When Shirley comes on Wednesdays, she puts me last on her route and visits with me. It's really making a big difference in my life. Thank you so much." Well, that was a great story. I thought, "Oh, what a win for us."

Six months later, his health is fully recovered. He's moving. His mental health—the depression has lifted. He calls me up and says, "You know, I'd really like to come and give back now. I'd like to give back to the community." He offered to become a volunteer, on the proviso that Shirley be his trainer. The last I heard, they are actually still a growing concern. But he is an ongoing volunteer. His volunteer work with Meals on Wheels has built more meaning into his life.

I really believe that this program shows, when you give people the fuel to make the right decisions for them-

selves and take care of themselves, how it does actually come full circle, right back to the community.

Ms. Daiene Vernile: That's a great story. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Ms. Campbell. If you have a further written submission, you must have it to the Clerk today by 5 o'clock.

Ms. Sarah Campbell: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for coming.

CHEMISTRY INDUSTRY ASSOCIATION OF CANADA

The Vice-Chair (Ms. Ann Hoggarth): I call upon the Chemistry Industry Association of Canada, please. Good morning. If you could please identify yourself for the purpose of Hansard. You will have 10 minutes for your presentation and up to five minutes of questions from the official opposition.

Mr. Don Fusco: Don Fusco, director, government and stakeholder relations for the Chemistry Industry Association of Canada.

Good morning, committee. It's a pleasure to be here today and provide input to the pre-budget consultation process on behalf of Ontario's chemistry industry.

Ontario's chemistry industry is a \$22-billion industry, and it's the third-largest manufacturing sector in the province, directly employing 44,000 Ontarians in well-paying jobs and supporting another 210,000 jobs in Ontario in other sectors.

Ontario's chemistry industry is the second-largest manufacturing exporter, shipping \$20 billion worth of goods to global markets in 2015. Our industry provides important inputs to a range of manufacturing sectors in the province, including automotive, forest products, construction, and food and beverage. The industry is global, and Ontario's chemical manufacturers compete globally both for market share and investment.

I want to speak to you about something we care deeply about, and that's improving the competitive position of Ontario's manufacturing sector.

Fiscal discipline and good stewardship of public finances is important. However, only economic growth will deliver jobs, generate the needed revenues to fund programs and provide greater prosperity for Ontarians. I will touch upon three topics today: attracting investment, regulatory complexity and the Canadian dollar. The common theme in these three topics is the importance of competitiveness to the chemistry sector and to the province.

The first message I wish to leave is that when it comes to investment, there is no such thing as a podium finish. We either win the investment or we get nothing. Chemistry is a global business, and our members compete globally for new investment.

Chemistry manufacturing facilities are designed to operate for at least 30 years, and continued investments extend their operating life. Chemistry companies consider investment factors from a long-term perspective.

New plants and expansions to existing facilities bring the latest and most efficient equipment and technologies, which benefit the economy and the environment.

The chemical sector is currently the fastest growing manufacturing sector in North America. In the United States, more than 200 new projects have been announced in the current business cycle, representing over \$225 billion in new investments. Based on historical trends, Ontario should have seen about \$8 billion to \$10 billion in new investment activity in this period. However, we've only seen about a billion dollars' worth.

Ontario has done many things well to try to attract further investment. The lowering of corporate tax rates and implementing the HST were important. So too was the matching with the federal government on the 10-year extension of the accelerated capital cost allowance, the ACCA, for manufacturing and processing done in 2015. However, this ACCA must be made permanent just to match US tax treatment.

My second message is that in addition to electricity prices, one of the biggest barriers to new investment in Ontario is the complex and costly regulatory system we operate under. We understand the impact of high electricity costs to families across the province. We emphasize that measures to reduce residential electricity rates must not come at the expense of industrial electricity rate-payers.

Due to the historically low price of natural gas, our North American competitors, which are primarily in the US Midwest and Gulf Coast regions, are enjoying very low electricity prices. In many of these jurisdictions, electricity programs act as an incentive to secure new investments. We would like to see industrial electricity policy introduced that incentivizes new production and facility expansions in Ontario.

The current regulations and approvals environment is also a negative for global investors evaluating Ontario. Incremental costs impede our ability to compete in a global market. The new cap-and-trade regulation is an example. Ontario's chemistry sector has achieved absolute greenhouse gas emission reductions of more than 24% since 1992, and despite being recognized as an energy-intensive and trade-exposed sector, this new regulation will add costs to our members' operations in the form of the annual cap decline factor or the carbon fee on electricity, natural gas and fuel consumption—costs not faced by our competitors.

Critically, the lack of clarity in the regulatory framework beyond 2020 creates more uncertainty for business investment decisions and puts jobs at risk. Greater efficiency, clarity and certainty in environmental permitting approvals, occupational health and safety, and land use planning will help to improve our competitive positioning.

We are pleased that the chemicals manufacturing sector will be participating in the Ministry of Economic Development and Growth's Red Tape Challenge initiative later this year. We are hopeful this initiative will provide an opportunity for meaningful improvements in Ontario's regulatory regime.

My last message is that the low Canadian dollar is not a panacea for what ails the manufacturing sector. The impacts of the lower dollar are complex and vary company by company, facility by facility. Some Ontario manufacturers receive benefit from the lower dollar, but many enterprises buy raw materials, equipment and machinery from the US or offshore that cost more because of the lower dollar. Global companies have sophisticated currency hedging programs in place, but overall, unpredictable currency exchange rates add greater uncertainty to the long-term investment decisions to locate a major manufacturing plant in Ontario.

To conclude, the chemistry sector is a sector that enjoys terrific support from our host communities in Ontario—in the Sarnia-Lambton region, the GTA, Niagara and eastern Ontario regions—who want to see more investment and more jobs. Through our Responsible Care code and ethics, CIAC member companies strive to “do the right thing and be seen to do the right thing.” Our members innovate for safer and greener products and processes and work continuously to improve their environmental, health and safety performance and engagement with local stakeholders. We offer good-paying, safe, modern jobs in an innovative sector. Our products are solutions to some of society’s biggest challenges, including climate change, such as light-weighting, advanced building materials and energy storage.

On behalf of the Chemistry Industry Association of Canada, I thank you for the opportunity to provide our input to this hearing. North America is experiencing a manufacturing revival, and the chemistry industry is leading the way. Ontario must participate in this revival. We believe Ontario would benefit from more good chemistry. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Fusco.

MPP Barrett?

Mr. Toby Barrett: Thank you, Don. I really appreciate these detailed backgrounders.

I was in Louisiana earlier this month. I enjoyed driving around down there, and it seems every 20 miles is another Sarnia—you know, a complex equivalent to our Sarnia—and advertisements for jobs down there on billboards. It’s just astounding.

1140

I had a tour down there of the Monsanto operation on the river just outside of New Orleans, where they make all of North America’s Roundup, an agricultural herbicide. It’s very, very important for Ontario agriculture. In fact, they’re planning a \$1-billion expansion, for a newer version, perhaps, of that particular product.

Ontario agriculture has just gone through—is still going through—the neonic debate with respect to a particular insecticide. We worry about what’s next. Your package of material is very well done, but sometimes your industry, engineers, many people—you don’t seem to be able to tell your story to the general public. Hence we have concerns that we are losing some of our

products. We don’t have a harmonized system in North America. Any comments on that?

Mr. Don Fusco: Certainly our members are active in their local communities and have very good stories to tell in terms of the jobs they create, both the direct and the spinoff jobs. It doesn’t necessarily get the headlines of other manufacturing sectors that seem to attract more headlines, but a massive chemical manufacturing investment can be \$1.5 billion to \$2 billion per facility. That compares to an auto sector investment opportunity.

It’s something that we continue to work on. Certainly all the good stories that we have, we do tell, and we will continue to do so.

Mr. Toby Barrett: My colleague has a question. My concern, too, is just with the general public. There’s fear of either certain new products or old products. I’m not sure what’s being done on social media, but—

Mr. Don Fusco: Well, I will tell you that there has been an evolution in manufacturing within our sector. We’re moving to lower-carbon feedstocks like lighter natural-gas liquids, and also evolving into agricultural and forestry biomass to produce chemicals. That’s part of that evolution.

What’s important is that the North American industry is going through a revival. I mentioned the \$225 billion worth of investments in the US in the current business cycle. Historically Canada should be getting 10%, and Ontario should be getting roughly 45% of that, and we’re not getting that. It’s not coming as it used to or as it should.

Our province has all of the infrastructure and the skilled labour that exists in the Midwest and the US Gulf Coast regions, and we have facilities in Sarnia-Lambton and in eastern Ontario that are similar to what exists there. There’s no reason why it shouldn’t happen.

Mr. Victor Fedeli: I want to pick up on that point. I was going to ask you about the incoming US government and the concern that you have with their thrust on lowering taxes, lowering energy costs and tightening up with a made-in-America package, and that those three pressures may or may not come to us. It fed right into your last comment that Canada should be getting 10% of \$225 billion and Ontario getting 45% of that. Where do you see this rolling out, in your own opinion, and is it a concern?

Mr. Don Fusco: Well, I guess we can say “President Trump” now.

Mr. Victor Fedeli: In a few more minutes, yes.

Mr. Don Fusco: Is it?

The Vice-Chair (Ms. Ann Hoggarth): I think so.

Mr. Victor Fedeli: At a quarter to.

Mr. Don Fusco: We know that their plans focus on reducing regulation, red tape and costs. Some of the advantages we have—a lower tax rate, for instance—are likely going to be lessened. And some of the disadvantages in other areas of the regulatory regime in terms of environmental regulations—we’re not looking to have lessened environmental regulations—are going to be widened. We fear that that sentiment, whether it’s true

or not, will drive more investment out of Ontario that should be coming to Ontario.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Fusco. If you have a further written submission that you wish to give to us, it has to be to the Clerk by today at 5 o'clock.

Mr. Don Fusco: Thank you very much.

WESTERN UNIVERSITY STUDENTS' COUNCIL

The Vice-Chair (Ms. Ann Hoggarth): I call on Western University Students' Council. Good morning. If you would please identify yourself for the purposes of Hansard.

Mr. Eddy Avila: Hello, everyone. My name is Eddy Avila. I am currently the president of the University Students' Council here at Western in London.

The Vice-Chair (Ms. Ann Hoggarth): Go ahead.

Mr. Eddy Avila: First off, thank you so much for giving us, the students, the opportunity to engage in this process, and thank you for being so patient. I know we're approaching lunch, so I'll try to keep our conversation fun and enthusiastic, but also really to the point. And I'm really interested in any questions that you do have as a follow-up.

A little bit of a briefing: My name is Eddy. As the University Students' Council president, I represent around 30,000 undergraduate students here. We are very vocal in a lot of the different aspects in which the provincial government interfaces with young people, and we're very excited, moving forward, in our future.

As a high-level overview, as you can see in our brief, we're going to be talking about four main aspects. The first one is work-integrated learning and increasing those opportunities for students here at Western and within our province. The next one: Since we are in London, we can't go to a budget consultation without talking about rapid transit, so we will be talking a little bit about the importance of rapid transit within London, but also the effect that that has on students, and Western students in particular. The next one is going to be talking about the importance and the priority we have on sexual violence prevention education and the positive steps we can move toward that and some of the recommendations we have from a student perspective. Lastly: just making sure that we really highlight the importance of data collection and how data can really impact how we make certain choices as students, but also as prospective students from high school moving into the transition into university.

So, work-integrated learning: Being a student in university, one of the biggest things that I have personally found is that a lot of learning happens outside of the classroom, and yes, there is a complement system that we can work towards. Just to bring all of us up to speed, work-integrated learning is that experiential learning opportunity using real-life experiences to really enhance some of the learning and skills development that we have within our classroom.

Working with the Ontario Undergraduate Student Alliance, we've really made this a priority for our students. We've been able to see that there needs to be more opportunity for these types of experiences, also acknowledging that every institution will have their unique needs and that we need to be accommodating to those needs. Not all institutions will have the capacity necessarily to provide more co-op or internship programs, but that doesn't mean that we can't stop and grow work-integrated learning opportunities. For example, I graduated with a medical science degree, so a lot of my peers and myself had the opportunity to work within our labs. Lab work and some of that critical thinking that's associated with these types of work-integrated learning opportunities are essential to our learning.

What we are recommending is that this type of thinking be flexible and responsive as well. So the USC, the University Students' Council at Western, is recommending that we build on some of the successes that we've had with the Co-operative Education Tax Credit, which has been really good to incentivize some of those enterprises and businesses to allow us to have co-ops, have internships, but also acknowledging that while that has worked very well for larger institutions, we are also hoping that we can consider incentivizing some smaller and medium-sized enterprises with upfront grants.

The overall recommendation is to create a work-integrated learning institutional grant that provides funding to institutions to pursue the proliferation of work-integrated learning opportunities based on the specific needs and circumstances of our institutions.

Moving on to the next point: rapid transit. It's very important here in London. First off, I'll start by saying that currently London is the largest city in Canada without rapid transit. It's a huge implication for us, as Londoners, but from my perspective, we, as students, have a huge say in it. That's why there has been a huge conversation about this within our student community as well.

1150

What we really wanted to ask from the provincial government and for consideration is that we work with the federal government and our London municipality, understanding that the city of London has earmarked \$125 million for a \$500-million transit initiative.

The final recommendation will be that we work, as a province, with the federal government to be able to make sure that this initiative does come to fruition, understanding that this not only has huge implications for us as Londoners but for us as students.

Quickly reverting back to what we just talked about in terms of work-integrated learning, rapid transit not only makes it less congested here in London, but also allows for further proliferation of these types of work-integrated learning opportunities within our communities.

We really try, as a student government, to show students the value of London not only for their being here for four years but also for the potential of living here. As someone who is a Londoner, I really appreciate the city

that I live in, and I want to share that more with the students of Western. But sometimes that's a little bit difficult if we're not able to connect them properly to different businesses, hospitals and entrepreneurial hubs within our London community, and also those work-integrated learning opportunities that are within our community already.

Again, the city of London has earmarked \$125 million for this \$500-million initiative, so USC strongly recommends that the province work along with federal partners and allocate the needed funds to make up the difference and ensure that rapid transit in the city of London becomes a reality.

Moving on to sexual violence prevention and education: This is something that's very exciting because of all of the progress that we've made in the last year with policy implementation. At Western, I'm super excited that starting January 1, as was instructed, we've been able to revamp our procedure for disclosures, and our sexual violence policy as a whole. But there's definitely still a bit more that we can do.

One of the things that we've identified when working with OUSA, and as the USC as well, is that we need to take a bit of a more proactive approach to sexual violence prevention, and response and education. We think that it would be imperative that the province consider creating a sexual violence prevention unit within the Ministry of Advanced Education and Skills Development with four main responsibilities: (1) identifying effective programs and evidence-based prevention programs; (2) identifying the best-practice models among universities; (3) forming, administering, interpreting and reporting climate survey results; and (4) identifying and eliminating barriers to individual paths for healing on campus.

One of the biggest things that we think it is important to note is that each institution will have their own services and supports for survivors or victims of sexual violence, but there's a level of oversight that I think would be necessary to at least be able to provide informed recommendations, whether that be, "Oh, this program hasn't been proven to be very effective"—in fact, it has been proven that if a program isn't totally on point, it can actually be harmful for victims and survivors of sexual violence, and that's the last thing we want to do. This provides a little bit of a guiding principle and a recommendation body within the Ministry of Advanced Education and Skills Development.

The second aspect that we've identified, coming from a university perspective, where we do have campus pubs and campus bars, is that when we have a young population and demographic—in particular, women within our demographic statistically are more likely to potentially experience this type of assault—we've identified that pubs are a great place to start in terms of enhanced training, and bystander training in particular, with some of the servers, the security and some of the bar staff that can intervene before something really happens.

Our second recommendation within the subheading of sexual violence prevention and education is the em-

bedding of appropriate sexual violence prevention training into Smart Serve. That allows for a little bit more accountability. If we're really trying to be preventative, we need to have every single person on our campus engaged, male and female, in this type of safe campus that we're trying to provide.

Lastly, going on to data collection: We really wanted to work on some of the progress that we've had right now in terms of the acknowledgement of data collection, but also acknowledge that, as students, we like data. We're smart individuals and we really appreciate making informed decisions, whether that be having a central location for academic, geographic, social and financial questions that we have as current students or also identifying that as prospective students, as high schoolers, when you're sitting down with your parents—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Avila.

Mr. Eddy Avila: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): The questions will go to MPP Sattler.

Ms. Peggy Sattler: Yes, thank you very much for your animated presentation which kept us all very engaged. It was excellent. The issues you have highlighted are all issues that are a high priority for me so I'm glad to have the opportunity to ask you some questions.

On the first issue around work-integrated learning: From the feedback that you get from students, do they feel that there is enough institutional support for them to engage in work-integrated learning programs? We know that the province has indicated that it's going in that direction but we haven't heard about what kinds of infrastructure and what systems are going to be put in place to enable this to happen. Can you talk a little bit about that?

Mr. Eddy Avila: Absolutely. I definitely think that there is a need, and we hear it from our students. The tough part about that question is that a lot of these opportunities aren't available until third and fourth year, and I think that's a huge problem that we need to address as well. We don't get an opportunity to, say, be in a lab or do an independent research project until those upper years, so I do think that we need to also highlight that in years one and two. There is an opportunity to at least start embedding some of those work-integrated learning opportunities, as well.

Ms. Peggy Sattler: And across faculties? Is that also an issue?

Mr. Eddy Avila: Absolutely, yes. I definitely think that is a need that needs to be addressed, also acknowledging that non-STEM disciplines have lots of opportunities to engage in work-integrated learning opportunities as well.

Ms. Peggy Sattler: They should have, but do they have them?

Mr. Eddy Avila: They should have, absolutely.

Ms. Peggy Sattler: Your recommendation about making a similar tax program that would be available as an up-front grant to SMEs—is that something you have

heard from employers? Where did you come up with that recommendation?

Mr. Eddy Avila: That's actually in partnership with the Ontario Undergraduate Student Alliance, which has done the research. Basically, with the data that says that small and medium enterprises have some of these niche learning opportunities, especially for non-STEM disciplines that aren't necessarily feeling totally supported by the current tax credits model that we have now, we were trying to think creatively on how we can incentivize those, to allow for that breadth of experiences, not just science or engineering like some other co-ops in large businesses are prone to have.

Ms. Peggy Sattler: On the rapid transit issue: Western University students are absolutely critical to our economy and the richness of our community here in London. It's great to see the collaboration that takes place between the municipality and the USC, so I really appreciate your support of this city's ask.

One of the issues that has been identified in London is around retention of Western students. I wondered if you could speak to whether you see the rapid transit program as of benefit not only to students who are currently studying, but also as a means of retaining Western students in our community after they graduate.

Mr. Eddy Avila: Yes, absolutely. I think that right now we have this stigma at Western that we have a "Western bubble," since it's so large and you can essentially do all your grocery shopping and everything you need within our institution.

I think they need exposure first. They need that lived experience to say, "Hey, we have a very successful city here with a lot of different opportunities that can actually cater to some of the skills that I've learned and some of the learning I've done in the classroom." I think that's part of it. If you don't know what's available, it's very hard to convince yourself and to convince your family or future family that you do want to stay here.

Ms. Peggy Sattler: On the sexual violence unit recommendation: I know Western was one of the leaders. Western had a stand-alone policy before the province mandated it, so that's great, and Western also has some expertise through the Centre for Research and Education on Violence Against Women and Children.

However, I think that this is an important recommendation that you've made, to ensure that the programs that are in place are evidence-informed. Do you have a sense of the other institutions that are part of OUSA that you've talked to—is there a lot of variation in terms of the kinds of programs and resources that are available on campuses across Ontario?

Mr. Eddy Avila: I think one of the issues that we have identified is that we do a decently okay job of onboarding new students through our orientation week programming, and that tends to be a big highlight of some of the learning you do during that week. But it's the follow-up: How can we engage students after first year, and not just in first year in that week? So I think those are some of the gaps.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Avila. Time is up. Thank you very much for your presentation. If you have any further written submissions, they need to be in to the Clerk by 5 o'clock today.

Mr. Eddy Avila: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you to everyone for your presentations and for the questions. This committee stands recessed until 1 o'clock.

The committee recessed from 1201 to 1300.

DIETITIANS OF CANADA, ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): I'd like call the afternoon session of the Standing Committee on Finance and Economic Affairs here in London to order. Does anyone in the committee have a question or concern before we start? No?

Then I will call our first presenter, please: Dietitians of Canada. Could you please identify yourself for the purposes of Hansard? You will have up to 10 minutes to do your presentation. Then there will be up to five minutes of questions coming from the government side.

Ms. Leslie Whittington-Carter: Thank you. My name is Leslie Whittington-Carter, and I'm the government relations coordinator for the Dietitians of Canada here in Ontario. We are the professional association for registered dietitians in Ontario, with almost 3,000 members in this province and about 6,000 across the country. Our vision is to advance health through food and nutrition, and we accomplish this by providing trusted nutrition information to Canadians and advising governments at all levels on best practices in nutrition policy.

Registered dietitians continue to be the most trusted source of nutrition information, according to Ipsos Reid surveys, and that's for good reason: Dietitians complete rigorous education and practical training in order to write the Canadian dietetic registration exam and maintain ongoing competency as a regulated health professional through the College of Dietitians of Ontario.

I thank you for the opportunity to highlight our recommendations today.

It's our goal to improve the health of Ontarians and to support cost-effective health promotion and health service delivery. The committee will be receiving our complete pre-budget submission electronically, which includes the background and evidence behind our recommendations, but the underlying theme of all of these recommendations is access—access to credible nutrition advice provided by registered dietitians and access to healthy foods for all Ontarians.

Today I'll be highlighting the priority recommendations, underlining how access is not meeting needs currently. For example, according to the Public Health Agency of Canada's report on diabetes, only 26% of patients with diabetes have actually seen a dietitian, even though that's part of the clinical practice guidelines. There's also evidence in the National Physician Survey, where over 40% of Canadian physicians said they felt that access to dietitians for their patients was unsatis-

factory. That 40% was national; it was even higher here in Ontario. Specifically, it was about 43% of respondents.

Our priority recommendation around access is continued funding and promotion of the EatRight Ontario dietitian advisory service. This service, which I hope you're all familiar with, is funded by the Ministry of Health and Long-Term Care, and it's operated by Dietitians of Canada. It provides Ontarians with free access to the advice of registered dietitians through multi-modal access: You can call, you can email or there is a website with information.

The evaluation has shown that consumer satisfaction is extremely high and that the vast majority of the users act on the information they receive. So they make changes according to the advice they've received. EatRight Ontario is now in its 10th year, and the evaluations have been very good. We're actually undergoing, in 2017, an impact assessment that will provide, I'm quite sure, even more compelling data about the importance of this service to Ontarians.

This service is especially important to provide nutrition information to users who can't access a dietitian in person or in a timely manner, and to connect people with programs and resources in their own communities. At-risk and vulnerable groups are able to access service and materials in their language of choice. The service is cost-effective and the cost per contact continues to decrease as contact numbers increase.

Also, we have the infrastructure to support implementation of provincial policies and programs. We've demonstrated that through support of the School Food and Beverage Policy, PPM 150, a few years ago. EatRight Ontario was also the point of first contact for Fresh from the Farm: Healthy Fundraising for Ontario Schools, which is another program operated by Dietitians of Canada in conjunction with OMAFRA, the Ministry of Ed and the fruit and vegetable growers' association.

We believe EatRight Ontario can play an even greater role in program and policy support. For example, the Healthy Menu Choices Act, the calorie labelling on menus, requires a robust public education campaign. We believe that EatRight Ontario is well-positioned to provide that additional information to Ontarians to help put those calorie numbers in context and help them make healthier eating decisions with that information. Just to reiterate, we are asking for continued funding for EatRight Ontario's operations through multi-year funding agreements in order to plan effectively for service and promotion.

The second recommendation that I want to highlight today is improving access to dietitian services in Ontario's long-term-care homes. Currently, there are regulations under the Long-Term Care Homes Act that mandate a minimum of 30 minutes per resident per month. We are recommending that that be increased to 45 minutes per resident per month.

Residents moving into long-term care are extremely frail, and they're at greater risk than ever before. Many are malnourished or undernourished, and they are very

likely to have multiple chronic illnesses and cognitive deficits. They have the greatest need for nutrition interventions and strategies to prevent or delay further health decline.

Two of Health Quality Ontario's long-term-care quality indicators are closely associated with nutritional status: pressure ulcers and falls. Individualized nutrition interventions planned by registered dietitians can have an effect on those.

A recent survey of long-term-care-home dietitians showed that one in five homes are already staffing above the mandated minimum. That's great news, because it shows that a lot of the homes are recognizing the value of the service. But it's also bad news, because it's putting other homes at a disadvantage. The residents in the homes where they are not staffing above that minimum are not getting the same benefits.

A regulation change, supported by appropriate funding, would ensure that all long-term-care residents in Ontario benefit from evidence-based nutrition care, and that the long-term-care-home staff are supported by dietetic recommendations for food and nutrition services.

The other portion of long-term care that I wanted to highlight is around raw food cost funding. I think that most of you are aware of that. It makes the media every once in a while. We've been quite vocal, as well as other groups, in the need for adequate funding for raw food. We recognize and appreciate the regular increases that have been coming on an annual basis, but they haven't been sufficient in order to keep up with the rising cost of food and, more importantly, with the rising demands for both cultural and therapeutic specialty items. Gluten-free, kosher, halal: All of those items are very costly and they take away from the amount that can be spent to service the rest of the long-term-care-home population overall.

Nutrition supplements: You're familiar with Ensure, perhaps. It's a common nutrition supplement. It's very expensive, and homes report that they spend a great deal on those when they are part of an individualized nutrition care plan.

In addition to recommending the annual increases to the raw food cost envelope, we would also recommend that there be changes so that some of those specialty and therapeutic items are removed from the designated raw food cost envelope, so that the raw food cost funding can go specifically to the overall funding for food services within the home.

Switching now from access to dietitians to access to healthy food for all, I would like to speak a bit about food security. Dietitians of Canada does have a position on food security. We are very happy to see that there is a proposed food security strategy, and we really look forward to being involved. We have members with a great deal of expertise on that subject, so we're looking forward to further discussions on that.

We are also very happy to see the pilot of the guaranteed annual income, because that aligns very well with our recommendations around the best approach to food security, which is poverty reduction. I won't reiterate, but I think that you're all aware of the many, many health

effects that lead to more costly health care overall, as well as decreased quality of life, that can be attributed to food insecurity.

The final recommendation I wanted to highlight today is an overarching strategy. Dietitians of Canada, as part of a multi-stakeholder group, has developed an Ontario Food and Nutrition Strategy, which would be an overarching, multi-sectoral, coordinated and comprehensive strategy. There are a lot of great initiatives under way, but we're really lacking that coordination and leadership from the top, so we support, through the OFNS, three basic pillars of the framework: healthy food access, healthy food systems and food literacy.

1310

There has been an absolute ton of work done through multi-sectoral engagement to date, but we have found that the commitment and the resources to move forward and implement a lot of the recommendations and policies from the strategy are lacking. We have a launch event happening in Guelph next Tuesday at the OMAFRA offices, and following that there is going to be a more dedicated push, so many of you will be hearing more from us, from the OFNS design team, around policies that can support that. Keep that in the back of your mind, and we would appreciate some further discussions on that as well.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. I'll turn now to the Liberals and MPP Dong.

Mr. Han Dong: Thank you very much for the presentation. It had a lot of information in it.

I remember a couple of years ago, I was down in the States with my family, and one morning—I think it was in Florida—we drove out looking for some bagels as breakfast. We stopped by this shop, walked in there and I saw the calorie counts on each item on the menu. I looked at my favourite BLT bagel and looked at how many calories a salmon bagel had. I picked the BLT because it's my favourite, not because it's healthier, but I thought it was a very neat idea.

I was very happy that the government passed the legislation. Now we know that very soon, all the retail food chains—well, there are certain criteria, but a lot of them will be required to put that calorie count on their menu. Can you speak to whether you think it's going to be very helpful to the general public in accessing or making informed decisions when they decide to go out and have lunch or dinner?

Ms. Leslie Whittington-Carter: I think the evidence to date is a bit mixed, and that points to the fact that with the Healthy Menu Choices Act, we have a real obligation to do some comprehensive evaluation and to find out specifically which groups are using the information, how they're using it, how parents are using it to inform food purchases for their children and how it's affecting their food consumption decisions later in the day—you had that BLT bagel, but knowing that calorie amount, did you adjust your food consumption later in the day? There's a great deal that needs to be done in terms of evaluation, and I think we have a really good opportunity here in Ontario to do a very thoughtful evaluation of that.

The other part of it is to make sure that people understand that it's just a number, and it's how that number is used and the information that people have to go with it. What can I do with this number? Can I call the dietitians at Eat Right Ontario to find out what 500 calories means to me? How can I put that into the context of my own life and my own health needs?

Mr. Han Dong: That's a good first step, for the government to regulate that.

You mentioned the basic income pilot, as well as food security. I'm the PA to the minister responsible for poverty reduction. I just got another updated briefing last week on food security. They're very interesting files. In your opinion, do you think these two programs will help in the long run to improve access to healthier food for our vulnerable populations? And if so, do you have any advice for us on which areas we should be focusing on? How do we successfully measure these outcomes?

Ms. Leslie Whittington-Carter: I do feel that they will definitely have a very positive impact on access to healthy food. In terms of advice, I have lots—I actually have a meeting request going in to your office so that we can talk at more length about that.

But we do have a very well-researched position paper on food insecurity which we're providing, and we do have a lot of members with a great deal of expertise in this area, so I really hope that we're able to work together to make sure that we've got a comprehensive evaluation plan and some implementation plans on that.

Mr. Han Dong: Sounds like a plan. Thank you.

Ms. Leslie Whittington-Carter: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): And thank you. If you have a written submission that you would like to give to us, it needs to be to the Clerk by 5 p.m. today.

Ms. Leslie Whittington-Carter: Excellent. Thank you very much. Have a good day.

MR. DAVE DERRAUGH

The Vice-Chair (Ms. Ann Hoggarth): The next presenter is Dave Derrough. If you would please identify yourself for the purpose of Hansard.

Mr. Dave Derrough: Good afternoon. My name is Dave Derrough. I am here as a parent and as a citizen of Ontario. I'm very pleased and grateful to have the opportunity to talk with you today. I would like to introduce to you my lovely daughter, Cristina, with the red shirt.

In Ontario, there is an important area of advocacy, support and care that needs to be addressed, improved, created and budgeted for. This is why I am here with you today.

The special-needs adult community in Ontario needs and deserves a new voice, an area of support and understanding. This area is in regard to a mechanism and a body that I believe needs to be created within Ontario. This is my quest today.

When a special-needs adult is involved in an abusive situation, they are not sufficiently supported in the areas of police officers, medical personnel, legal workers,

lawyers and the legal system. My goal, starting today, is to have a solution thought out, created and put in place to help manifest respect, compassion and impact. For this, important support is required, which is currently not sufficiently in place for our special-needs adult community within the legal and medical system.

One of the main supports that is needed is a special-needs advocate and coordinator of care who can be accessed immediately after an assault has taken place. This support person, who would work out of the new support office that I am asking for, would be partnered with each developmentally delayed adult who gets involved with the court system and legal system, no matter the challenge being faced.

The legal system is complex, potentially overwhelming, and confusing, as well as very stressful. Complete understanding of every detail, area of discussion and situation needs to be understood fully by each individual involved.

This is where the support person would be of great importance. They would ensure that each individual would be fully aware of all aspects of any issue, question or circumstance so they are capable of making any and all decisions for themselves with understanding. At present, unfortunately, this is not the case in our legal system.

The care coordinator would be only one part of the overseeing and involved legislative body that would be implemented and supported financially. Policy and procedures are needed to ensure and guarantee personal safety and protection in all circumstances, while also enabling a person to strongly advocate for themselves. The policy and procedures must be fully thought out, understood and implemented in a way that is for the full benefit and protection of the entire special-needs community.

This service body also needs to address every aspect of the individual special-needs adult who has faced assault and needs to navigate the legal and medical system. The support system I am asking you to support, both in its creation and implementation, needs to be done so with proper, well-thought-out, strong, consistent, meaningful foundations for the guaranteed safety and security of every person requiring support. The aspects of everyday living should be and must be taken seriously while researching, planning, budgeting for and, finally, creating and implementing the system.

To be clear, the system I am seeking to have in place would immediately have a care coordinator assigned to the special-needs adult as an immediate response by the first responder who has contact with the adult, whether it be a police officer, hospital staff member or someone else. A standard procedure of who to go to, and what to do first, would be set up across the province in each municipality and jurisdiction.

1320

When I first took up my passion for this advocacy, I became aware of the need for, and have since become determined to have, the establishment of a level of protection for each and every special-needs adult. These

support systems exist for children in Ontario as well as seniors in nursing homes, and special-needs adults should be similarly supported with the system I want to create.

This new system will generate equality between special-needs adults and other vulnerable groups in society where emotional, psychological and physical needs are met, understood and guaranteed on each and every level. This is an emotional and challenging undertaking but it is within a bigger picture. The desired and necessary system I am talking about, and strongly advocating for here today, should be a system where there is no uncertainty or confusion of who does what and when.

If a developmentally delayed adult needs support in understanding a question from anyone, anywhere in the system, or a conversation, there should be a guarantee from the beginning of every situation or incident that the support will happen quickly through or by the care coordinator. Every developmentally delayed person needs to have all of the equal rights, support and care of any other person being supported by any other agency or government body—perhaps even more. The support needs to be consistent, strong and seamless.

There are specific supports in areas which are missing and need to be addressed. This is the start of addressing them, our start, here today. I ask for and desire your committee to support, finance and budget for the new initiative that I am seeking for our province, our communities and our special-needs individuals, an initiative and body of support, commitment, assurance and safety for some of our most vulnerable so that they are not vulnerable in any other circumstance or situation. The vulnerable person will need support and understanding so he or she will have that: a full and guaranteed personal understanding of each question, each moment, each personal and individual decision and choice throughout the entire process and each of its parts there within. Anything else is not serving them.

We must be strong and active in assuring these things. This needs to resonate with each and every one of us here today and, by extension, every family and citizen in Ontario. We must ensure that our loved ones and fellow Ontario citizens have their voices heard and supported, and that is why we need this new advocacy body implemented and funded.

Such offices as the Ministry of Community and Social Services, the Attorney General and the Office of the Public Guardian and Trustee could all be engaged in the process, planning and implementation of the new advocacy office, representing individuals outside of group homes or group home-share settings, as group homes already have the office of the provincial advocate, an independent office mandated by legislation—perhaps a model to be looked at and/or considered for its information and awareness value in this process.

Ontario has the Vulnerable Victims and Family Fund, which ensures that victims have appropriate supports, such as real-time captioning, where and when needed. While this is valuable, it is only support of a limited role.

In Alberta, for example, the Association for Community Living—now Inclusion Alberta—has within its own implemented practice a support person who is present at appointments with the person's lawyer to ensure the understanding, awareness and decision-making abilities of each individual who may need it. Their deputy CEO, Trish Bowman, has been very welcoming and informative and has welcomed follow-up with her. I am more than willing to have ongoing communication with her, to our benefit.

The association for community living in Ontario, at the provincial level, does not have within their scope finding or attending appointments with a lawyer. They may be at the local association level, but I do not have information around that specifically.

Alberta also has the Persons with Developmental Disabilities program through Alberta Human Services, which works on supporting and maintaining a healthy environment for each individual through their service plans. Perhaps we could research them for your own knowledge and awareness. The budget for the Human Services office itself, in Alberta, is approximately \$1.1 billion. Of that \$1.1 billion, approximately 75% of that goes towards funding for the developmental disabilities program for adults. The remaining 25% supports persons with fetal alcohol syndrome, acquired brain injury, etc. All of this information is on the government website for Alberta.

There is so much more research that can and must be done for knowledge, awareness and benefit. This is just the tip of the iceberg. I strongly urge that we do this, in whatever manner it takes.

In closing, and with my sincere thanks and appreciation, the developmentally delayed community within our province will benefit from the consultation, creation and budgeting of a new supportive voice that I am looking for and so passionately support. I sincerely appreciate this opportunity and the time and consideration you have given me. I would like to welcome the opportunity to remain engaged with you in this process of love.

I will leave you with this quote from Martin Luther King Jr.: "Our lives begin to end the day we become silent about things that matter." This matters to me. I am not silent.

Thank you very much.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Derraugh. We'll turn to the PCs now: MMP Yurek.

Mr. Jeff Yurek: Thank you very much for coming in today. I've worked quite a bit in my riding with the developmentally delayed young adults in my community and with their parents, who have quite a bit of concern with the delays they're already experiencing with accessing services. You're raising a very valid issue.

In the London area I've spoken to a few people. There is a special process for FASD-affected individuals when they're prosecuted in the court system, but you're talking about an entire system to help them through the entire process and to expand that beyond, even into the health care system as well.

Do you perceive this as a new ministry or part of an existing ministry? Do you know which way you'd head and what ministry do you think that would fall under to encompass so much?

Mr. Dave Derraugh: From the investigations and information that I've received through networking over the time that I've been doing this advocacy, my thought information would be—although there would be room for discussion on this, but it would be a new area of support. It would be similar or parallel to family and children's services for the younger population of Ontario, just to compare it to something that exists presently.

Mr. Jeff Yurek: Now, is the Alberta model a regionalized system, centralized, or is it broken down even further? Do you know?

Mr. Dave Derraugh: To my knowledge, it's in different areas. The young lady I spoke to is in Edmonton. I would have to confirm that, but I believe it's across the province.

Mr. Jeff Yurek: And do you feel, through your experience in talking to other parents and such—is it a widespread problem with regard to navigating the various systems? Are there more barriers than exist for other Ontarians?

Mr. Dave Derraugh: Yes, there are definitely barriers in existence. I've spoken with executive members of Community Living Ontario and, for example, in areas like the legal system and others. It definitely is a problem having the developmentally delayed person's voice heard, where they actually have full understanding to have the knowledge and understanding in answering questions in various areas, legal or otherwise.

Mr. Jeff Yurek: Also with respect to the developmentally delayed, as a population as a whole, do you feel the government is being supportive enough in ensuring that everything is in place, including future housing opportunities, manageable waitlists, assessments being done on time?

Mr. Dave Derraugh: That would be a discussion in another area. I do have some knowledge on that, but not something specifically that I've investigated for today.

Mr. Jeff Yurek: Looking at creating this whole new system, it would be great to look at the entire system as a whole so we can try to maintain or create a fix for everything as a whole. I know in my area of the province there are quite a few huge gaps that this population is falling through and, unfortunately, it's causing great hardship. You've now raised another issue that I'll be looking into for sure, on our side.

Is there anything you'd like to add?

Mr. Dave Derraugh: I don't think so. As I said, I would like to maintain contact with the committee in whatever form or means you would think possible or appropriate.

Mr. Jeff Yurek: Great. You can contact my office and we can connect you with the right people on the government side.

Mr. Dave Derraugh: You're Mr. Barrett?

Mr. Jeff Yurek: Yurek. I'll give you my card in a second.

Mr. Dave Derraugh: Yes, please.

1330

The Vice-Chair (Ms. Ann Hoggarth): MPP Fedeli?

Mr. Victor Fedeli: Thank you for a very thoughtful presentation. In it, you spoke about Community Living and access to lawyers, in a legal aspect. Could you just expand on that whole chapter that you didn't have a chance to expand on?

Mr. Dave Derraugh: What would you like to know specifically on that?

Mr. Victor Fedeli: I'm sorry, I couldn't hear you.

Mr. Dave Derraugh: Specifically, what was your question?

Mr. Victor Fedeli: You talked about the ability, or the inability, to find legal assistance through Community Living. What were you referring to there?

Mr. Dave Derraugh: The association of Community Living Ontario—

The Vice-Chair (Ms. Ann Hoggarth): Excuse me, could you just move a little ways away from the mike? There. Thank you.

Mr. Dave Derraugh: Away? Okay, yes. All right.

Within the mandate of Community Living Ontario, they're different than the association in Alberta. In Alberta, they actually do have support people who would go into the appointments with a lawyer. On the provincial level, Community Living Ontario does not have that mandate within their own approach to things. It's just a different outlook or approach between the two provincial bodies.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much, Mr. Derraugh.

Mr. Dave Derraugh: Okay.

The Vice-Chair (Ms. Ann Hoggarth): If you have another written submission that you'd like to give, it needs to be to the Clerk by 5 o'clock tonight. Thank you.

Mr. Dave Derraugh: Thank you very much. Have a good day.

The Vice-Chair (Ms. Ann Hoggarth): You too.

Mr. Dave Derraugh: Thank you.

WE OWN IT

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is We Own It. Good afternoon. Welcome.

Ms. Ange Thompson: Thank you. My name is Ange Thompson and beside me is my colleague, Amanda Picott. We're from the We Own It campaign.

The Vice-Chair (Ms. Ann Hoggarth): You have 10 minutes to do your presentation, followed by up to five minutes of questions and this time it will be from the NDP caucus.

Ms. Ange Thompson: Great. Thank you. Good afternoon, everyone. As I said, my name is Ange Thompson and I'm here today at the pre-budget consultation to discuss the impacts of privatization, financial and otherwise, and to offer a better solution, a solution that I hope you will consider while creating Ontario's budget this year and moving forward.

I'm going to describe the three main reasons why privatization is damaging our province, and provide a few examples of how investing in quality public services has resulted in thriving and prosperous communities, an environment that I wish for all Ontario to realize.

Time and time again, the government has turned to the private sector to deliver public services with the false notion that privatization drives efficiencies and costs less. This could not be further from the truth. Privatization is never all it's cracked up to be, and these are the three main reasons:

(1) Privatization costs more. Private contractors need to make a profit, so what they charge for products and services is always more than their actual cost. Ontario's Auditor General recently reported that private contractors charged the public more than \$8 billion too much by renegotiating contracts, mismanaging budgets and hiking fees.

(2) Privatization means poorer-quality service. Private contractors are focused on profit and often sacrifice quality of service in order to cut costs.

(3) Privatization means lack of accountability. Private enterprise has absolutely no obligation to the public. Their only oversight is agency appointed, which is the classic example of the fox guarding the henhouse.

The most relevant example of how privatization fails us is Hydro One. It meets all of the criteria I mentioned: increased costs, poorer quality of service and lack of accountability. In the case of Hydro One, the government felt it necessary to sell shares to acquire some upfront cash for infrastructure we desperately need. Unfortunately, selling public assets comes with dire consequences. The forgone income of Hydro One is \$500 million annually, and growing. That's income that the government has relinquished forever. Historically, that money has been reinvested into the public services that we all enjoy, and these are public services that will now suffer due to this loss of revenue for the province.

In terms of rates, I've been told that we need not fear, because regulatory bodies control the rates, but the fact of the matter is that since 2004, rates have gone up 383%. Regulatory bodies or not, the bottom line is that citizens are paying more.

Some may argue that rates have been increasing regardless of the privatization, but I know better than that. In 1999, the former Ontario Hydro was restructured and competition was introduced to the energy sector, with the objective to keep rates low. Quite the opposite happened, and rates began to climb.

More recently, the Liberal government has signed green energy contracts with private companies, costing ratepayers billions. The Auditor General reports that we, the citizens, have paid \$37 billion in global adjustment fees, and this number continues to climb. There is no doubt that transitioning from coal to green energy was necessary, but there are definitely more feasible ways of doing it. The government could have insured those contracts instead of helping out their buddies in the private sector. It would have saved us millions, at least.

Since the first tranche of shares were sold, public oversight has been non-existent, which means quality of service will dwindle. Hydro One has been ranked the worst of all distributors in Ontario for duration of outages, and second-worst for frequency of outages. Although you can't get worse than the worst, I'm sure that Hydro One won't be climbing up the ranks, with zero accountability to the public and with private investors in charge.

The privatization of Hydro One is arguably the worst decision ever made by the government, which brings me to my next example of failed privatization: Highway 407.

Highway 407 was built and paid for by tax dollars. Implementing tolls, it was expected to be fully paid for in 30 years, at which time it would become a free highway. In 1999, the government privatized it for a one-time cash infusion of \$3 billion. Ontario citizens have been paying the price ever since, and I have yet to meet a person who is pleased with the privatization of the 407.

For my third and final example of failed privatization, I have three words for you: gas plant scandal.

Privatization can be very tempting for governments, but ultimately it ends up costing the public more, providing less, and causing a whole lot of turmoil in the meantime. The good news is that there is an alternative: public services.

Earlier, I mentioned the three main reasons why privatization is harmful. In contrast to privatization, public services save money, offer superior quality and are safe and accountable. Public services are typically non-profit or, if a profit is made, it's put back into the services that everyone enjoys. Because they aren't profit-driven, public services can cost less and offer exceptional quality. Public services do not cut costs at the expense of public safety, and are held accountable by several government-appointed watchdogs, who ensure safety and quality of service for all.

Insourcing and keeping services public is critical, as is repatriating privatized services. One repatriation success story is Hamilton water treatment. In 1995, the city council of Hamilton signed a deal with a private contractor to take over operation of its sewage treatment systems. They were promised money, jobs and major infrastructure investment.

Not even a year later, there was a failure at the main sewage treatment plant operated by the private company, which caused the worst sewage spill in the city's history. The public was left with a \$2.5-million cleanup bill, and that's not all: Over the span of the contract, the treatment plant's workforce was cut in half, charges for water services increased, environmental fines went unpaid for years, and even more sewage spills followed. Simultaneously, investments in repairs and maintenance decreased by 25%, and transportation and disposal costs skyrocketed by 500%.

A number of acquisitions caused the contract to change hands several times, and audited accounts provided by the private contractor to the city were not made public, reducing transparency and preventing elected officials and the public from accessing them.

In April 2004, frustrated residents marched on city hall, demanding more accountability. Hamilton returned its wastewater treatment service to public control in 2005 and immediately saw benefits. The city saved more than \$5.5 million over the first three years of publicly delivered service. At the same time, ammonia levels in the treated wastewater were reduced by half, reaching an all-time low.

1340

Correctional facilities are another great example of public services transcending the private sector. Central North Correctional Centre in Penetanguishene is privately operated, while Central East Correctional Centre in Lindsay is publicly owned. The two jails are similar in size and age, and both are required to operate according to the same standards.

The Penetanguishene jail operated with approximately 90 fewer staff than in the public facility. There were not enough staff to ensure safety. At one point, four stabbings occurred within weeks at the prison, one of them causing the death of an inmate. There were riots and escape attempts. One incident required 63 police officers to secure the perimeter. The cost of the repairs to the prison, as well as the police action, had to be paid for by the Ontario public.

When the private contract came to an end, the government commissioned an independent review of both facilities. This revealed that in the private facility, understaffing resulted in lower levels of security, poor health care for the inmates and a higher repeat offender rate than in the publicly run jail.

The benefits of publicly operated jails are indisputable. Monte Kwinter, the Ontario community safety minister at the time, said, "We found that in basically every single area, the outcomes were better in the publicly run facilities."

In conclusion, I've shared with you the disastrous consequences of privatization. When creating Ontario's budget, I hope you not only consider the financial detriment of privatization, but the cost to citizens' safety, something that you cannot put a price tag on. When creating the budget, I hope you consider the value of public services and the value that they bring to their communities. When it comes to services in Ontario, the reality is that public is better.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. This round of questions will be from MPP Vanthof.

Mr. John Vanthof: Thank you very much for your presentation. You have our caucus' full, wholehearted support in the fight against privatization. In your presentation, you not only talked about what's happening now, but you had demonstrations of what's happened in the past and some improvements when it was repatriated.

One thing regarding hydro: You mentioned that since 2004, it went up over 300%; a lot of that was due to the privatization of the generation. That was a lot of the cause. In our health care system, even with the current government, there are a lot of things being privatized,

and it's actually driving up the cost. I'd really like to thank you for bringing that up.

What I'd like your opinion on is, do you think there's a difference in the private companies' motives? What drives the company that is different than what drives the public sector? Would you expand on what you think and your views?

Ms. Ange Thompson: Absolutely. I think their motives are worlds apart. In the public service, people are concerned about doing a good job and helping their communities prosper. I think in the private sector, they are concerned with the bottom line, with their profits. Unfortunately, when people are driven by money, sometimes they cut corners and have to make sacrifices to the quality of service.

Mr. John Vanthof: Do you agree that it's not that you're against the private sector, but that there are certain sectors where the private sector doesn't belong?

Ms. Ange Thompson: That's how I feel. When it comes to public services, they should be delivered by public servants. I don't think we should be taking public services like health care, education, hydro—I certainly don't think we should be selling public assets to the private sector. But certainly the private sector has its own place.

Mr. John Vanthof: There's a bit of a debate going on now. Obviously, the vast majority of Ontarians agree with you regarding the sale of Hydro One. The Ontario Chamber of Commerce was here, and they agree with you. We agree with you. Very many municipalities agree with you. Actually, on this one, the Tories actually agree with you.

Mr. Victor Fedeli: Just one thing.

Ms. Ange Thompson: Jeff is my MPP.

Mr. John Vanthof: Anyway, there is quite a debate saying, "Well, there's no guarantee that the sale of Hydro One will increase rates," but judging by the privatization that has occurred in the other parts of the hydro system, namely generation, would you agree that it will further drive up hydro rates, the sale of Hydro One?

Ms. Ange Thompson: I think without a doubt it will drive up hydro rates. I think we are just seeing the tip of the iceberg right now.

I mentioned earlier about the green energy contracts. I think that's a lot of the rate increases we're seeing right now, and that's also privatization. They could have insourced those jobs; public servants could have put up those windmills and the green energy. But they made deals with the private sector, and, from what I understand, they made deals for energy that we don't even need, so definitely, outsourcing those jobs was a bad choice. They could have saved money by doing it publicly.

I think privatization, based on history, is definitely going to increase the rates further.

Mr. John Vanthof: You bring up an interesting point: It's not actually the green energy that's the problem; it's the privatization—

Ms. Ange Thompson: Absolutely.

Mr. John Vanthof: —of the green energy generation.

Ms. Ange Thompson: I did mention that. There's no doubt that we need to get off of coal. That's a wonderful choice. I support that wholeheartedly. We just don't need to be making private contracts for our green energy.

Mr. John Vanthof: You brought up another very salient point, and that was the profit from Hydro One. As the company is sold off, the opportunity to use that profit for public services also disappears.

Ms. Ange Thompson: Yes. I'm sure this is all review for you, but for every tranche of shares that Hydro One sells off, it's a smaller piece of the pie for the government. That's less revenue that the government is taking in to reinvest into public services.

Mr. John Vanthof: One thing you mentioned was that the money from the sell-off of Hydro One was going to transit. That's one part of your presentation. We don't think it's going to transit; we think it's going to try and balance the budget. That's where that money is going, which is a very bad idea. To sell off something that actually helps the people of Ontario to try to do a short-term balance of the budget is a travesty in this province.

Thank you very much for your presentation.

Ms. Ange Thompson: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. If you have a written submission, please have it to the Clerk by 5 p.m. today.

MR. LEN ELLIOTT

The Vice-Chair (Ms. Ann Hoggarth): I now call Len Elliott. Good afternoon, Mr. Elliott. If you would please identify yourself for the purposes of Hansard. You will have 10 minutes to make your presentation and up to five minutes for questions. It will be the government side asking you questions.

Mr. Len Elliott: Thank you. My name is Len Elliott, and I'm with the Ontario Public Service Employees Union. Good afternoon. I'm the regional vice-president for OPSEU in Region 1, which includes London, Windsor, Sarnia, Woodstock and communities in south-western Ontario. I have been an executive board member with OPSEU since 2012 and an activist for many years before that. Thank you for this opportunity to speak with you today.

Normally, when I appear before legislative committees, I speak about the issues of health and safety in workplaces. I have been a health and safety inspector in the Ontario public service, with the Ministry of Labour, for 12 years. Today, I want to talk to you about health, but not about health or safety in the workplace. I want to talk to you about the declining health of Ontario's publicly funded health care system. The patient is ill, and unless we take steps now to put it on the road to recovery, I fear the worst.

It should not have come to the surprise of anyone that when the CBC conducted a survey of the greatest Canadian ever a few years back, Tommy Douglas came out on top. Over fierce opposition in his home province, Tommy

Douglas established Canada's first publicly funded and publicly delivered health care system in Saskatchewan—a template used by the federal government when it introduced medicare in the mid-1960s. For decades, Canadians—and that includes the vast majority of Ontarians—have embraced the principles behind what Tommy Douglas put into place. Canadians want a health care system based on our needs, not our ability to pay. We want a system based on equity, compassion and fairness; one that makes us proud of our health care system. I ask you: Is that how Ontarians view the delivery of public health care in our province today? Judging by how we've violated the principles Douglas fought for, I fear not.

Let the numbers in Ontario speak for themselves. Since 2008, hospital global funding increases have been set below the rate of inflation. This means real-dollar cuts, as hospitals have been unable to keep pace with basic cost increases. What has that underfunding produced? It has produced a health care system in Ontario that ranks at or near the bottom of health care spending compared to other Canadian jurisdictions.

1350

Ontario has fewer hospital beds per capita than any other province. Ontario has the fewest nurses—RNs and RPNs—per capita in Canada. Ontario ranks near the bottom for funding of our public hospitals, both by population and as a percentage of GDP. Add it up. In less than a decade, our provincial government has managed to take our province from one which at the very least was keeping its head above water—today, we are sinking badly with a cinder block strapped to our ankles.

OPSEU represents more than 45,000 workers in the health care sector. Their occupational categories are too numerous to recite here today, but I think you have a good idea of where we serve the public. OPSEU members work in the hospitals and in laboratories. They work in community health agencies, at long-term-care facilities and as paramedics. They are the backbone of Canadian Blood Services in this province.

Our members' eyes are fixed on the front lines of public health care delivery, and what they see is a crisis. It's a crisis made up of one part underfunding and one part privatization of services. When mixed together, the two are very bad for your health.

That's not the way the provincial government views the crisis. It would prefer to use the term "transformational." I love that word, "transformational." It's a warm and fuzzy way of saying, "We're going to take you to a place where you don't want to go, but we're going to take you there anyways."

Let me spend a couple of moments on each: underfunding and privatization.

In its recent analysis, the Financial Accountability Office concluded that if the current level of health care quality and service are to be maintained, health care expenditures will require 5.3% annual increases until 2020.

At the same time, the FAO stated that the government plans to limit growth in the period 2018-19 to an increase

of 1.7%. I'm not much of a mathematician, but I know that this doesn't even keep up with the basic rate of inflation, let alone population growth, an aging population or the higher inflation rates in the health care field, such as for medications.

What I do know is that with those numbers in play, the result will be further cutbacks to health care and less services to Ontarians. This, I guess, is what the government means by "transformational": We're taking you to a place where you will struggle to get something as basic as a bed in your local community hospital when you need it.

For many, the availability of a hospital bed when you need it is the real measure of how our health care system is working for the benefit of all. Again, sadly, Ontario fails to measure up.

In her November 2016 report, Ontario's Auditor General painted a bleak portrait of the current state of the province's large community hospitals. Problem number 1? Severe overcrowding in too many of our hospitals.

By international standards, 85% occupancy of hospital beds is a measure of what is called safe occupancy. Citing this level, the Auditor General, Bonnie Lysyk, said that in Ontario, 60% of all medical wards had occupancy levels in excess of 85%.

This crisis hits close to home in this part of Ontario. London Health Sciences Centre had an occupancy rate of 108% in 2013. Windsor's Hôtel-Dieu Grace hospital and Erie St. Clair hospital were at 101%. Exeter hospital was at 106%. By no measure have these hospitals achieved basic international standards.

It gets worse. According to the Organisation for Economic Co-operation and Development, Ontario ranks third to last among 33 countries, behind only Mexico and Turkey, in hospital beds per capita. Can it be that this is how far Ontario has fallen from the principles set out by Tommy Douglas?

As part of the government's "transformational" agenda of taking us to places in health care that we don't want to go to, privatization of health care ranks high on the agenda. Privatization of health care represents a big part of the crisis we face. It's not the solution to our challenges.

Privatization has become embedded in our health care system. It is being used as a method to download costs onto individual patients who, more often than not, are the frail, the sick and the elderly, who can least afford to pay.

This is particularly true in the home care system, which is rife with privatization and where the majority of provider agencies are private for-profit entities competing for bids to provide services and seek profits. This amounts to nothing less than privateers looting the public purse by providing less care and inferior services. Is that what Tommy Douglas had in mind?

Home care is not the only sector affected by privatization. The privatization of laboratories, the expansion of private clinics providing services previously offered by hospitals, and the contracting out of hospital support services all point in the same direction. It amounts to this:

If you are elderly or sick in our province or if you need support services as you approach the winter of your life, be prepared to spend more on private providers and get less in return.

We must resist this misguided approach. There are alternative policies the provincial government could adopt if it truly wanted to maintain the best of Canada's publicly funded health care system. Let me conclude my presentation with a few of them:

- restore financial stability and safe levels of hospital service, beds and staffing;

- stop the starvation of hospital funding;

- stop the endless health care restructuring that only facilitates more funding cuts;

- end contracting-out and fund a fully public, non-profit health care system;

- stop the outsourcing and privatization of public health care services; this has proven to be a disaster that puts profits over quality care for patients.

Make no mistake: Health care funding is complex. Much depends on the transfers from the federal government. Much depends on how we choose to craft a made-in-Ontario solution. Unfortunately, what the provincial government has implemented, through funding cuts and reliance on privatization, falls short of the needs of the people of Ontario. For starters, the provincial government should abandon its transformational solutions by replacing them with a public health care agenda that puts patients and clients first.

Thank you for your attention. I would be pleased to answer your questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Elliott. The questions will be from MPP Dong.

Mr. Han Dong: Good afternoon, Mr. Elliott. Thank you very much for the very passionate presentation. I understand your stand on protecting the publicly funded health care system and I appreciate your comments. I just want to point out that in the last budget, the government put forward—I think it was \$345 million in front-line operating funding directly to the hospitals, and in the last fall economic statement, on top of that, the government put forward \$140 million to the hospital operating fund, which is about a 2% increase. Do you think that's a step in the right direction in restoring funding to the appropriate level?

Mr. Len Elliott: The quick answer is no, because one step forward and two steps back doesn't fix the problem. What I see by doing that, when the Auditor General talks about—sorry, the chief accountability officer I think said 5.7%. You're nowhere near that mark. You need to increase it.

Do you want help? Do you want an answer on how you can help this? Restore corporate taxation. Restore it. Over the last 13 to 14 years, your government has had an agenda to reduce corporate taxation in this province. You've taken it down from 14% to—I want to say 11%; I can't remember the exact number. Restore it and stop talking about tax cuts to the middle class. I pay fair taxes and I'm okay with paying fair taxes. But fair taxes

include you fairly taxing the rich and you fairly taxing corporations, not just me.

Mr. Han Dong: Thank you very much for coming.

Mr. Len Elliott: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much, Mr. Elliott. If you have a further written submission that you would like to hand in, it needs to be to the Clerk by 5 o'clock. Thank you.

DR. RICHARD WELLESLEY STAPLES

The Vice-Chair (Ms. Ann Hoggarth): I call on Richard Staples, please.

Dr. Richard Wellesley Staples: Present, Madam Chair.

The Vice-Chair (Ms. Ann Hoggarth): When you get settled, Mr. Staples, if you would identify yourself for the purposes of Hansard. You will have about 10 minutes for your presentation and then there will be five minutes of questioning by the Progressive Conservative caucus.

Dr. Richard Wellesley Staples: Thank you, Madam Chair. I brought along my egg timer to keep track of the 10 minutes here, so I'll set it in motion.

I'd ask the standing committee, before I begin, to make sure that you have these two documents, the first of which shows the map of the Lybster local roads board and the presentation I will make, together with the appendices.

I'd like to thank Madam Chair and the Clerk of the Committee, together with the committee, for giving me an opportunity to come here today to speak about the \$17,000 question. My presentation, really, will focus on the budget in the sense that the budget is the province's priorities in dollars and cents. From my perspective here, as I'm going to talk about my property in northwest Ontario where I lived for half my life, working at the post-secondary institution of Confederation community college, basically what are the province's priorities for its Ontario tax dollars?

1400

My name is Richard Wellesley Staples. I'm here as a representative of Ontario taxpayers in general, kind of an Everyman, I suppose, if you look at my business card that I've attached.

My wife and I have owned a property in Lybster township. This is a map of Lybster township, in this booklet. The property we own is mining location 194-T. We've owned it for—I guess it's now 41 years.

Basically, the \$17,000 question is this—and I'm going to read from this, not verbatim, but key paragraphs, if you can follow. I'll start with the first page here, the introduction.

Once the standing committee examines this material in this presentation, can it say in truth versus its opinion that the Ontario Ministry of Finance has rational financial oversight policies, procedures and protocols in place? Can every Ontario taxpayer believe this factual truth that in every instance, without exception, the government's budgeted expenditures of its millions of dollars on

Ontario community-needed infrastructure, such as roads maintained by one or more of the 191 local roads boards in northern Ontario, always exhibit 100% financial accountability and transparency?

At this point I would ask the committee to use the appendix and turn through to the tab that shows “Rogue Trustee,” which I’d like to read into the record. These are my remarks at the 2014 Lybster roads board annual general meeting, where I asked the chair:

“How could you have such a massive overrun? And I am speaking to this because Gabes Road is on my property, my private property. How could you have such an overrun of from” \$5,000 to \$22,000?

“Board member: Basically this was a rogue element ... the guy didn’t have any approval, he acted on his own, and the MTO went along with it. I questioned him on it, but ...

“If you questioned him on it, did you actually write a letter of concern to the MTO about what you guys ... did you call it a rogue element?”

“Yes, my understanding is that the” Ministry of Transportation “refused to take any legal action.

“What’s your definition of rogue in this case?”

“He was acting on his own and not in the best interests of the community, in my opinion.”

So my question to the committee is, what are our financial priorities for the province?

This is a Peterborough Examiner issue from about a week ago, when Prime Minister Trudeau talked to a lady from Buckhorn who’s paying \$1,200 a month for her electricity—\$17,000 would pay her electricity for the entire year; \$17,000 would provide a full-time nurse to Alma Martin’s husband, who died by medical misadventure, or 1,400 Meals on Wheels. Is \$17,000 really to be spent on some trustee’s pet project that he authorizes on his own by doing an end run around the board?

If you look at page 2, The “Gold Standard” for Accountability and Transparency in Respect to Any of the 191 Local Roads Boards, it shows that the local roads board is an entity with duly elected public officials, governed by the Local Roads Boards Act, and is subject to the respective declaration of offices established in that act.

And then oath of office, or declaration of office:

“4. I will faithfully and impartially perform my duties as trustee of the local roads board for the Lybster local roads area.

“5. I have not accepted or will not accept any improper payment or reward for performing my duties as trustee.”

On the third page, The Lybster Local Roads Board’s Apparent Breaches of Its Explicit “Statutory Duty of Care,” that is, what is the board’s implied statutory duty of care in respect to the local roads board? It’s pretty well spelled out there.

I’m talking here to legislators who make the rule of law. The most basic accountability and transparency of the Lybster local roads board is that it has to follow the rule of law, which is basically the Local Roads Board

Act. I’m here today to say—together with what I’ve shown here in the minutes of the 2014 meeting—that this is not being adhered to.

To read the last paragraph on—well, to go ahead, I suppose, it shows a comment from three months ago. It says it is a rough draft of a transcription of a portion of the October 12, 2016, Lybster roads board annual general meeting, where the board met with MTO area supervisor Dale Willis, who stated that most of the 191 boards work informally through conversation, but the process, as of January 31, 2014, will be more formal, to get the work done. Signatures will be needed for changes only by the Lybster local roads board.

In this case, one trustee made a change to the board’s budget unilaterally for \$17,000. What are the consequences?

These two pages are statements for the board this year, where people sign off.

Look at the page that begins with this: “Lack of financial accountability and transparency in the \$17,000 over-expenditure of Ontario taxpayers’ dollars compared to other jurisdictions such as the federal government.”

How does the Ontario Ministry of Finance reconcile the fact that there are apparently no consequences for one trustee on a local roads board doing an end run around his other trustees so as to finance, with Ontario taxpayers’ dollars, his Jeremy’s Road project as a rogue element? The guy didn’t have any approval. He acted on his own, and not in the best interests of the community, according to a statement of a trustee on that same board.

The government of Canada fell because Senator Duffy spent \$21,000 talking to his trainer on his exercise machine, or variations thereof. MP Dean Del Mastro went to jail overnight, came back out and is still probably on appeal for spending extra monies on his election campaign. But there are no consequences here that I can see for this rogue element on a board apportioning \$17,000 of taxpayers’ money to his own pet project.

Basically, my recommendation to the members of the Standing Committee on Finance and Economic Affairs regarding the pre-budget consultations of 2017 is that there should be a forensic audit of the Lybster local roads board’s operations, particularly whether or not those who have served in a position of fiduciary trust on the Lybster local roads board in quite an extensive period, 2001 to 2017—that has been my wife’s and my experience with this board.

To conclude, Premier Wynne’s statement here: “I will lead an open and transparent government that is accountable, that is guided by integrity....

“I believe that government must be a force for good in people’s lives... because we are one Ontario and every perspective matters....

“We will be wise and prudent with our spending....

“In fact, making every dollar count is a key component in our economic plan....

“We need ... better roads

“We will build Ontario up ... with integrity, we will do it transparently ... while balancing the budget....

"Government must be a force for good in people's lives."

I'll welcome any questions based on what I've written or talked about, together with my appendices.

How did I do for time?

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Staples. I'll pass it over to MPP Fedeli.

Mr. Victor Fedeli: Dr. Staples, it's wonderful to see you here in London today. I know we have met in our beautiful northwestern Ontario on more than one occasion.

You have your forum here today, and you have definitely placed this local issue on the provincial registry now. Your comments have been recorded and translated. They will be on instant Hansard instantly, and in a few days from now, you will have a recorded copy of Hansard to assist you in your travaux.

1410

I know this has been going on for more than a decade. I understand that. You have correspondence to and from previous cabinet ministers who have long since gone. Some have gone on to become mayors in other communities, that type of thing.

Without diminishing the overall, overarching concept that there appears to be some monies that have moved from one place to another, this truly is a local issue. So I'm asking you if it's not the local issue that you want us to resolve; it's the overarching concept that there are those who are doing things that you feel should not be done, and you're looking for some kind of resolution about the ability to do that, not this particular issue. Or are you looking for some—

Dr. Richard Wellesley Staples: To paraphrase another piece of literature, I suppose, I think an Ontario tax dollar is an Ontario tax dollar is an Ontario tax dollar. That is, one person has apportioned 17,000 dollars' worth of Ontario tax dollars. If this is one province, every tax dollar counts regardless. How can there be two Ontarios? For one, we follow the rule of law and adhere to trustees' fiduciary duty as their sworn declaration of office, and then another where this doesn't apply? That's my point here.

It's the integrity of the entire provincial budget that someone can, on a board as a public authority, apportion to their own pet projects, that they set the priorities and the rest of the board is along for the ride.

Mr. Victor Fedeli: Are you not satisfied with the resulting commentary you're getting from the board, the Lybster board?

Dr. Richard Wellesley Staples: The board won't—if you look at the appendices here at the tab, at the meeting I attended in 2014, the board account won't let me express—I was censored. The board chair said to me, "I know what you're going to say," and didn't let me say anything. My wife and I have tried numerous instances. We sent correspondence to the board that they would not read aloud at the meetings. My wife was censored at the 2008 meeting. This is an ongoing concern. As a Canadian

citizen, I expect there to be some fair, equitable democratic process, and it's absent.

Mr. Victor Fedeli: With all three parties that are sitting here in front of you right now, is there some kind of a conclusion that you can give us in a few sentences?

How much time does Dr. Staples have?

The Vice-Chair (Ms. Ann Hoggarth): We still have a minute and a half.

Mr. Victor Fedeli: In the next minute, Dr. Staples, can you tell us what you expect from this? We're going to be writing a report of our findings in the pre-budget consultations over the next couple of weeks. Is there something specific that we can do?

Dr. Richard Wellesley Staples: I'd like to meet with a representative of that committee or possibly a tri-partite set-up.

Mr. Victor Fedeli: This is it. We are the committee. You've got us here. We're live, and this is your opportunity, sir.

Dr. Richard Wellesley Staples: Okay. If we look at appendix A, for example—

Mr. Victor Fedeli: You've got about 30 seconds left, Dr. Staples.

Dr. Richard Wellesley Staples: Okay, 30 seconds' worth here: appendix A, if you have it available—my copy seems to be missing—the chair of the Lybster roads board in 2006-08 didn't own any property in Lybster township. All the decisions he made for two years were null and void because basically he didn't qualify to sit on the board, but he sat on the board as a non-property owner and made decisions.

To sum it up in 30 seconds, the people haven't followed their declarations of office. This page here sums up my position. How can a rogue element exist on a publicly funded board?

Mr. Victor Fedeli: Dr. Staples, we will make sure that—

The Vice-Chair (Ms. Ann Hoggarth): I'm sorry. The time is up.

Thank you very much, Dr. Staples. If you have another written submission, it has to be to the Clerk by 5 o'clock tonight.

Dr. Richard Wellesley Staples: These are the two. Eric assured me they're good to go. Thank you for your time.

SYDENHAM DISTRICT HOSPITAL BOARD AND CORP.

The Vice-Chair (Ms. Ann Hoggarth): I call the next presenter: Sydenham District Hospital Board and Corp. Would you, when you get settled, identify yourself for the purposes of Hansard? You have approximately 10 minutes for your presentation, and then five minutes of questions from the NDP caucus.

Mr. Sheldon Parsons: Thank you very much, Madam Chair. My name is Sheldon Parsons. I'm the former chair of the Sydenham District Hospital Board and Corp. I represent five other former directors: Conrad Noel,

former vice-chair; Kris Lee, Herb John and George Lung, former directors elected by the 539 former members of the corporation; and Rex Isaac, former director appointed by the Walpole Island band council.

Thank you to the Chair and members of the committee for this opportunity to make a presentation to you, and good afternoon.

Our former status is a result of the decision of the Minister of Health and the cabinet of the Ontario provincial government to recommend appointment of a hospital supervisor under provisions of the Public Hospitals Act. This was necessary because of governance and administrative issues at Chatham-Kent Health Alliance, an organization that included our hospital, and we do not quarrel with that decision. It was necessary.

Why we are here? We are here to provide you with some context and some background on the situation that arose within the Chatham-Kent Health Alliance that gave cause for that decision, and we are here to ask you for your consideration within the upcoming provincial budget to support three issues that impact health care services across the province.

These three issues are:

- the critical need for sustainability of health care services in small, rural and northern communities;

- continued support for the policy that puts patients first; and

- continued support for governance of health care facilities and programs across the province by the local communities they serve.

I want to begin with our story. We have provided the committee Clerk with electronic copies of the following:

- (1) Our Story-Our Future is a progress report to the community, dated May 31, 2016. It puts on the record the story of a health care facility that was under-resourced in funding and undermined in administrative actions.

- (2) The historical timeline update to page 4 of the progress report: That brings the timeline up to the current date.

- (3) Vision for Health Care in the Sydenham-Bkejwanong-St. Clair District: This was developed by the community for the community.

- (4) Ministry of Health and Long-Term Care appointment of CKHA investigator: That was done on June 8, and this provides the terms of reference for that investigation.

- (5) Investigator's final report, dated August 8, 2016: The report was very critical of both governance and administration and recommended the appointment of a supervisor.

- (6) Ministry of Health and Long-Term Care appointment of CKHA supervisor, dated September 1: That includes the terms of reference.

- (7) A document entitled Engage, where the CKHA current administration was providing information to employees, dated December 6: That document concerned certain actions taken by the supervisor in his efforts to restore good governance and good administration at CKHA.

- (8) A copy of the open letter to the community from myself, as former chair, putting into the record our objection to being, in part, at fault for what happened at CKHA.

The most important document in that list is our vision, and we have provided 25 hard copies of that along with my speaking notes.

The above documents relate the story of a health care facility—Sydenham District Hospital—that was under-resourced by governance bodies that were entrusted to sustain it and entrusted to sustain the services it provided. This under-resourcing was further compounded by purposeful practices by both governors and administrators over the past decade to undermine and eliminate the services that were guaranteed in the original alliance agreement. The documents also relate the very real frustration that communities go through when vital services are diminished and taken away.

The former board continues to have serious questions about what happened at CKHA. There has been no public accounting for this and, until that is provided to the public, confidence in our health care institutions is threatened.

Just this week, the interim chief financial officer for CKHA has reported that CKHA has major cash problems. He also said that CKHA's costs are two times higher than that of similar-sized hospitals that deliver the same services. He went on to say that the province penalizes hospitals with deficits, and the penalty looming for CKHA will be \$1 million dollars off of revenue for next year. That's a heavy penalty for patients and communities to pay for bad governance and bad administration. That was not the community's or the patients' fault.

1420

The investigation report on CKHA was very critical of both administration and the boards responsible. We acknowledge that the investigator believed that all three boards were to some degree at fault and reported as such. We also understand that the supervisor believes that all boards were to blame for the circumstances in which we found ourselves. Whether the former SDH board accepts or rejects that we were to some degree at fault is inconsequential to what needs to happen now. We put that behind us with our open letter to the community in December.

So what do we want? To be honest, some want nothing to ever change, but to be clear, many understand that programs and services need to change, and most of the time, change is for the better.

What is unacceptable to communities is change that is designed by someone who doesn't understand that community, as if some cookie-cutter approach to health care systems and services will work for every patient and every community. What is hard to accept is change that is caused by fiscal situations that are beyond the community's ability to control. What is also unacceptable is change that is brought about without any community engagement or consultation.

The local health integration network has coined a phrase: “No decisions about me without me.” That sounds good, unless it’s just a phrase and is never put into action.

What’s happening now? We are well into a series of changes at CKHA brought about by the supervisor and the interim CEO. Former staff are long gone. The former SDH directors support all changes that have been made to date. The supervisor has done what the three hospital boards couldn’t and in some cases wouldn’t. That alone has justified his appointment.

Where to from here? Our story continues to get written, and the former directors and former members of SDH will continue to fight for the health care services our communities need. As communities and as patients, we can only do what is in our control. The Ministry of Health has to provide the framework and the funding that support communities in their fight for sustainable healthcare, Patients First and local governance. Sometimes the ministry just needs to step back and let the local communities find the solutions that will work for them. We can point to a very good example of that.

We have provided you with a copy of our vision for health care for our local community, Sydenham, Bkejwanong and St. Clair. Your document is probably titled “Sydenham, Walpole and St. Clair”; we changed that Walpole name to Bkejwanong to better reflect our First Nations community.

Our vision was developed by our local communities for our local communities, and done so at very little cost—I would suggest pennies on the dollar, compared to what other studies have cost. It involved local consultation with minimal consultants. It meets the province’s expectations for both Patients First and what a local health hub should look like in small and rural communities like ours. We believe it can be developed very economically. We offer it as the solution to the health care needs of our communities.

With that, I conclude my comments and presentation to you. I’m happy to try to answer any questions you may have.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Parsons. I turn now to Mr. Vanthof.

Mr. John Vanthof: Thank you, Mr. Parsons, for coming. As a former director on a small hospital board, I can appreciate your position. As an MPP, I was also involved in a hospital board where a supervisor was named. I appreciate how much concern that creates in the community.

We haven’t had time to fully look at your situation, but often—it’s hard to describe, but things that happen are within the board’s control, but also beyond the board’s scope. I think you’ve done a good job of recognizing that, and I commend you for being here, because although you’re no longer part of the board, you’re advocating on behalf of your citizens, that they not be—I don’t think the word is “penalized”—impacted by what has happened at the hospital.

Mr. Sheldon Parsons: The word is “penalized.”

Mr. John Vanthof: Yes, but that’s what’s happening, and you’re here lobbying for that not to happen. I commend you for that.

I think what you’ve also described is—we’ve heard this several times today, perhaps one of the most dramatically—that there is an overall crunch in hospital funding and specifically for small hospitals. Could you talk about what that did and is doing to your community?

Mr. Sheldon Parsons: From our example and our situation, it was like taking money from a piggy bank. We had two sites, the Wallaceburg site and the Chatham site, with one hospital organization and three corporations still in existence, and each hospital had a veto power.

The organization and the structure of the governance needed some improvement, and we believed it needed some improvements. But what was being recommended and what has been done systematically over the past 10 years has undermined not only the resourcing of the services that were continuing to be provided, but actually cutting services from the smaller site to enhance services at the larger site.

What came to a head in 2016 was the fact that the smaller site’s board just would not accept any further cuts, and all of a sudden things fell apart. That’s what required the investigator. That’s what required the supervisor. We acknowledge what he is doing is good—in fact, he’s doing what we would have liked to have done—but there is an uncertain future going forward. The funding from the province for health care generally is a question mark, and certainly the funding coming from the federal government to the provincial governments is also a question mark.

But at the end of the day, the dollars need to do what the dollars need to do, and the services need to be provided. The message to you today and to the province is that we should not be under-resourcing small, rural and northern facilities in order to fund urban care facilities.

Mr. John Vanthof: I’d like to thank you for bringing forward that message. It took a lot of guts for you to come today.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. If you have a further written submission, it needs to be to the Clerk by 5 o’clock today.

Mr. Sheldon Parsons: Well, just a clarification, then: We didn’t want to kill a bunch of trees, so we sent electronic copies of our background documents. If that’s been circulated, that’s great. If we need to circulate that to committee members, just let us know.

The Vice-Chair (Ms. Ann Hoggarth): Thank you.

COUNCIL OF ONTARIO UNIVERSITIES

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is the Council of Ontario Universities. Good afternoon. If you could please identify yourself for the purposes of Hansard. You have up to 10 minutes for your presentation and then there will be five minutes of questions from the government’s caucus.

Mr. David Lindsay: Great. Thank you very much, Madam Chair. My name is David Lindsay. I'm very pleased to be back here appearing before the committee. I commend you for the work that you do. I'm currently representing the Council of Ontario Universities, and am pleased to do so here in London, Ontario, where one of our institutions, the University of Western Ontario is.

In southwestern Ontario, the University of Windsor, just down the highway, is another one of our 21 publicly funded universities. Both of those institutions' antecedents—an interesting historical fact—were actually in existence before Confederation, so southwestern Ontario has had universities, institutions of higher learning, since before Canada was a country.

But my presentation today is not about the past; it's actually about the future. I want to talk about how Ontario's universities are an important part of the infrastructure of our society that help to create a successful future for our students, for our communities and our province.

We have a slide deck that's being circulated now, I believe, and we have a more extensive submission that's being submitted electronically, Madam Chair. On slide 2 of the presentation I have today, I've got a lot of facts, figures and information I don't propose to go through, so I'll try and skip through this as quickly as I can.

If I could turn to slide 3: I don't need to tell this committee that we live in a rapidly changing world. Ontario's economy and our society are facing lots of disruptive technology and competitive market forces, impacting us from around the world. Ontario universities want to be an important part of a successful future, creating a better future for our students, our communities and our province by responding to and creating the innovation and the opportunities that all of those disruptive technologies and global forces are creating.

If I could move on to slide 4, in the interest of time: Before I turn to the specifics of this year's pre-budget presentation, I do want to acknowledge that the province has invested in student access over more than a decade. Investments in colleges and universities in our post-secondary system have resulted in 70% growth in Ontario university enrolment since 2000.

1430

We share a commitment to ensure continued access, and recognize that the government's OSAP reforms and tuition policy announced in last year's budget are a significant element of ensuring access for all who are eligible and qualified. However, as the committee thinks and as we all collectively think about how Ontario needs to respond to the challenges of rapidly changing technology, global impacts and demographic shifts, we need to think about what the future looks like as a province.

We need to realize that some of the jobs that exist today, five or 10 years from now may be eliminated by technology. But the obverse is, some of the jobs that will exist five or 10 years from now have not yet even been thought about. So how do we prepare our students and prepare our province for all those eventualities and all those opportunities?

Our presentation for this year's budget is summarized on slide 5. The three main topics or buckets of ideas that we propose to you are on slide 5. In the interest of time, I won't read those to you, but I'll skip on to some of the details in the subsequent slide.

On slide 6, you will see that we're focusing on undergraduate access here. Given the complexities of those dynamic forces on our economy and on our society that I talked about, we need to ensure access for every qualified student so they can build their transferrable skills and their capacities to adapt to this changing workforce that's coming at us.

Despite the declining cohort, that demographic of university-aged students in the province of Ontario right now, we are continuing to see modest growth on a percentage basis in applications. There are many reasons for that, not the least of which is the recognition that you need higher education in this more complex world, but also that the policies of net tuition and OSAP reform are contributing to that, we hope. We recognize that some of those expansions or that increase of applications is unevenly distributed—not in every part of the province, not in every program. We need to make sure that we have the right funding for every qualified applicant to get the types of positions that they're seeking at the undergraduate level.

Then, turning to slide 7, you will see that I start to talk a little bit about the graduate level as well. With a rapidly changing society and trying to figure out how we shape that future for the province of Ontario, graduate students will become an even more important part of Ontario's success. Grad students focus on advancing research, sharing knowledge with undergrads through research projects, developing their skills and becoming part of the high-skilled workforce.

It's critical for Ontario to thrive and compete on the international stage. Finding solutions to help attract graduate students will benefit both those individual students themselves and the university and the pedagogy that happens on our campuses, but also the economy of Ontario more broadly. You will see on slide 7 we have two summary recommendations. There's more detail in our written report, but those are the two recommendations for the access component of our presentation today.

On slide 8, we now turn to talk about shaping the future and ensuring student success. We're going from access to success; making sure students have a place in university is important, and now making sure they're successful is also important.

Universities are stretching their budgets right now to make the necessary investments in creating supportive environments for students through things like mental health—there is an explosion of need for mental health services on our campuses—and ensuring that there is culturally relevant support for indigenous learners, sexual violence education and support policies, and support for students with disabilities. All of these are important service demands with our increasing enrolment in our post-secondary systems, and we need to not lose sight of

those important needs, but we also need to continue to invest in the academic experience for our students.

Government investment in research and the whole concept of experiential learning needs to be embraced and advanced. Supporting the Highly Skilled Workforce Strategy will be an important feature of ensuring student success as we build that future for the province of Ontario.

We're providing significant experiential learning already, and other innovative practices are being created for our students. We're trying to support our students as they launch their careers by creating more opportunities for entrepreneurialism and connecting with employers. We're looking to create that successful future. We'll need government support to continue to evolve our institutions to provide the best we can for our students and our province.

Slide 9 speaks to the research agenda in a bit more detail. Every day, in everything we do in the province of Ontario, there is an impact on research and innovation. It's changing our province. It's changing the world and shaping how we do everything from the food we eat to the way we entertain ourselves. Ontario's universities have a big role to play in that. Let me give you a couple of very specific examples in the short time I have.

Food and southwestern Ontario: The agri-food industry is very big in this part of the province. Some of our institutions are working on various aspects of that. One project in particular is looking at how to ensure global food safety and security. We're talking about the global economy. We're talking about food safety. Southwestern Ontario can be providing products internationally if our food safety is seen as among the best in the world. So university research is helping our exports, as well.

At the community level, for example, our researchers in social sciences are working with police forces and police officers on how to understand and control responses in crisis situations. University engagement with the community on economics and on social services is permeating across the province. The summary of our recommendations under "community impact" are on slide 9 of the presentation.

Recognizing that I'm running out of time, Madam Chair, I'll quickly go through the last two slides, talking about enhancing our impact on the global economy. As I mentioned earlier, universities play an important role in contributing to the economy and the social fabric of the province, and communities specifically.

Money comes into a community and businesses work around the universities. Revitalization of downtown cores: If you've been to Windsor or Sudbury or Oshawa or Brantford, you'll see how the investment in a new campus or a new facility helps the downtown redevelopment. And of course, in cluster economics and the things you're thinking about for Ontario's economy, universities play an important role as hubs for regional economic development. Research into innovation, making sure graduate students are linked with industry: These are how we're contributing to the economic agenda.

It's a global economy, so attracting students from abroad and across Canada to our province is important for our economy as well.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Lindsay.

Mr. David Lindsay: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Questions will come from the Liberals. MPP Baker?

Mr. Yvan Baker: Thanks very much. I'm going to ask a question, and if there's time remaining, I'm going to pass it on to my colleague MPP Dong as well.

My question is around something that has come up from the student groups that we've heard from quite a bit over the last week and then prior to Christmas, when we were travelling, as well. The Western University Students' Council was presenting today on this topic. They asked—and I'm reading from their submission. They said, "The provincial government of Ontario should create a central location for data on comparative factors, including, but not limited to, program information, costs, class size, student experiences, employment outcomes." They basically want data on the university and on program performance in those various categories provided so that students know what they can anticipate, but also so that prospective students who are thinking about applying to universities can know what they can expect from the programs and institutions that they're applying to. What are your thoughts on that?

Mr. David Lindsay: I think all academics and all academic institutions would always say that more information is better than less. I think the challenge is not that we don't have a lot of information. It may be: Have we got the right information and how do you access it? I think that we'd like to work with the student association. As a matter of fact, we've met with them on a number of occasions on how we can continue to do that.

1440

On the OUAC, which is an acronym for the Ontario Universities' Application Centre, we have a website that provides lots of information, and each institution provides lots of information. On the Council of Ontario Universities' website, we have something called CUPA, which is also a wealth of data.

I think the discussion shouldn't focus on, "We don't have data"; I think the discussion is, "What do you need the data for, and how do we make it most readable, accessible and understandable?" Whether that needs to be through the universities, through the government or through some agency is a process debate. I think we're getting caught up in a process debate as opposed to, "What do the students need to make the right decisions?", and we fully support that.

Mr. Yvan Baker: Thank you very much for that. Before I pass it on to my colleague, I just wanted to share with you that I've spent a lot of my time since being elected MPP focusing on issues of student success and trying to figure out how we can ensure that young people who apply, whether it be to university or college or to the trades, achieve their potential and that they're successful

in the new economy. So I found your presentation, especially page 8, a big step forward, and refreshing. I'm glad to hear that universities in Ontario are thinking this way, and I encourage you in continuing in that regard.

I'll pass it on to my colleague.

Mr. David Lindsay: Thank you very much.

Mr. Han Dong: Thank you very much, Yvan.

Happy new year, David.

Mr. David Lindsay: Good to see you, sir.

Mr. Han Dong: It's really good to see you here. You made mention that this year is going to be the first year that the province is rolling out the new OSAP financial assistance program. It's going to increase access, especially for those students who come from families that traditionally wouldn't consider post-secondary, and it's going to enhance our job market for the future.

But the government makes policy. Universities are directly interacting with the students. So I want to thank you—and please pass this on to your university members—for your work in supporting this program and implementing this policy.

I noticed that at the end of your presentation, you were just starting to touch upon foreign students and international students. I want to give you some time to talk about how important and how beneficial it is to our institutions to have these students from abroad.

Mr. David Lindsay: Thank you very much, Mr. Dong. You and I have chatted about this a number of times. In a global economy, making sure that our Canadian students, our Ontario students, have an exposure to global cultures, global experiences, is incredibly important, and making sure that international students are exposed to the Canadian economy and the Ontario economy is incredibly important.

There are generations—my parents and your parents came from another country. We've been able to make a contribution to this province. There are many, many examples of people who are international students who have come here, created businesses and created opportunities for employment for literally thousands.

The stimulation of local economies by bringing more people with high skills is important for the employers and for the community. It's important for the students themselves, the Ontario students, to interact with international experiences so they have more of a global outlook—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Lindsay. If you have any further written submissions that you'd like to have in, they need to be to the Clerk by 5 p.m. tonight.

Mr. David Lindsay: Thank you very much. I appreciate the time.

WILFRID LAURIER UNIVERSITY STUDENTS' UNION

The Vice-Chair (Ms. Ann Hoggarth): Our next presenters are from Wilfrid Laurier University Students' Union. Good afternoon, and welcome. If you would identify yourselves for the purposes of Hansard, you will

then have approximately 10 minutes to do your presentation. Then there will be five minutes of questions, and that will be from the PC Party.

Mr. Colin Aitchison: My name is Colin Aitchison. I'm the vice-president, university affairs, for the Laurier students' union.

Mr. Ian Muller: My name is Ian Muller. I'm the director of policy, research and advocacy with the Wilfrid Laurier students' union.

Mr. Colin Aitchison: We'd like to begin by thanking the Standing Committee on Finance and Economic Affairs for the opportunity to present our recommendations for the pre-budget consultations.

The Wilfrid Laurier University Students' Union represents the interests of over 17,000 undergraduate students at the Brantford and Waterloo campuses of Wilfrid Laurier University. Our vision is for a post-secondary environment where students are empowered to achieve.

Prior to delving into our own recommendations, we would like to take this opportunity to thank the government for their work on increasing access to education within the province. Our organization believes that the new OSAP structure will satisfy the requirement for both needs-based financial aid and create more opportunities for students who currently face significant economic barriers to pursue education at a post-secondary level.

Additionally, we would like to voice our support for Bill 76, the Pathways to Post-secondary Excellence Act, by MPP Baker. We believe this bill will significantly help students access the range of information necessary to make an informed decision about post-secondary education.

Our submission today shares the common theme of supporting the mental wellness of the post-secondary student population within Ontario. Whether it's direct access to critical mental health services, challenges related to the international student experience or housing interruption, a range of factors directly influences success in the classroom.

To begin, we're going to look at mental health care services. There is an increasing societal awareness of the prevalence of mental health concerns on Canadian college and university campuses. Significant gaps remain in the mental health services available for Ontario's post-secondary students. We are asking the government to preserve the \$12 million in funding allocated to the discontinued Mental Health Innovation Fund and invest it in system-wide initiatives aimed at improving front-line mental health care.

Mental health difficulties continue to escalate at Wilfrid Laurier University, a troubling trend faced by many universities across the province. According to a report done by the vice-president of student affairs of Laurier, Laurier has witnessed a 132% increase in demand for mental health services over the past five years.

Research utilizing data from Statistics Canada shows that young adults between the ages of 15 and 24 have an

increased likelihood to report mood disorders and dependency issues when compared to other age groups. Providing dedicated funding envelopes for front-line mental health initiatives will contribute additional resources to post-secondary institutions, create more opportunities for the promotion of positive mental health on campus communities, and alleviate some of the dependence these services now place on student fees. We believe this type of investment falls in line with the priorities of the province's Open Minds, Healthy Minds comprehensive mental health and addictions strategy.

For the purposes of our recommendation, we consider front-line care to include psychologists; counsellors; mental health nurses and other direct practitioners; campaigns that promote student mental health and resilience; workshops aimed at enhancing coping and stress management skills; mental health training initiatives for professors, students and other university employees who are in direct contact with the student population; aboriginal counsellors; international student support staff; disability support staff; LGBTQ+ student supports; and other student support workers who may not be classified as mental health workers but who often provide mental health services.

Our second recommendation focuses around international students. Ontario universities are increasingly committing to internationalization and, in turn, becoming dependent on international student enrolment. While the diversification of the student body is inspiring, the population needs to be supported with adequate services and supports.

In 1994, international students became ineligible for Ontario Health Insurance Plan coverage. The Council of Ontario Universities partnered with Sun Life Financial to create the University Health Insurance Plan, better known as UHIP. While an important initiative at the time, UHIP has resulted in additional financial burdens for international students. For the current academic year, the cost of UHIP ranges from \$612 a year for an individual student to \$1,836 a year for students with multiple dependents. Not only does this cost create an additional financial burden for international students, but it also represents a disincentive to study at the post-secondary level in Ontario.

In Saskatchewan, international students are automatically covered under the provincial health care program with proof of a study permit. The provinces of Alberta, British Columbia, Nova Scotia, and Newfoundland and Labrador also provide coverage under their provincial plan after a six- or 12-month wait period. Globally, three of the top four host countries—the United Kingdom, France and Germany—also provide public health care to their international student cohorts.

As Canadian institutions continue to develop internationalization strategies, Ontario schools will remain at a competitive disadvantage if international students are required to assume the additional financial burden associated with public health coverage.

Recruitment aside, our primary concern with the UHIP is the financial cost it represents. Year to year, significant

fluctuations in UHIP premiums make it challenging for international students to budget accordingly. For example, in 2005-06, the cost of UHIP premiums reduced by 1%, a seemingly positive trend. However, the following year, the cost of premiums increased by 30% for single student coverage, 58% for students with one dependent and 69% for students with two or more dependents. This lack of long-term predictability is a concern routinely expressed by international students.

OHIP has the potential to address these concerns. That is why we are recommending that the provincial government allow international students to enrol in the Ontario Health Insurance Plan. In doing so, the Ontario government would follow the practice of five other Canadian provinces and improve the quality of health coverage for the province's international students.

We recognize that full OHIP extension is an extensive initiative. In 2012, the Ontario Undergraduate Student Alliance, better known as OUSA, projected the cost of the OHIP extension to international students to be approximately \$50 million. Ahead of a full extension, we recommend the government widen the eligibility of OHIP to international students and set premiums at a price comparable to the amount paid by domestic students through tax contributions.

1450

Mr. Ian Muller: Our final recommendation is related to student housing concerns. Ontario is currently facing a crisis in post-secondary student housing. Despite signing a lease months in advance, hundreds of students are finding themselves homeless when the new school year begins. Student-targeted, high-density developments promise September availability but too often force students to deal with disruptive delays.

Students in Ontario have been adversely impacted by this type of housing interruption in consecutive years since 2014. In Waterloo alone, four different development projects have left students without housing and imposed significant financial and psychological burdens, at times well into the winter semester. There are currently, as of right now, hundreds of University of Waterloo and Wilfrid Laurier University students who remain unable to move into the K2 condo residential building on King Street in Waterloo.

This is not a problem limited to the Waterloo region. In 2015, hundreds of post-secondary students in Toronto were similarly without their promised accommodations until well into November. A common pattern during delays of this kind is for students to be placed in temporary lodging. For students in Waterloo, hotel accommodation provided in Guelph or Cambridge remains a considerable distance from both universities. Similarly, other students make lengthy commutes from the greater Toronto and Hamilton area. In order to continue in their degrees, students are therefore forced to assume a significant and unanticipated financial burden.

In addition, students with leases in several of these student-targeted housing developments are often permitted occupancy when the absolute minimum inspection

requirements have been met. Promised amenities are unavailable for months, rushed construction produces immediate repair needs, and in one extreme scenario at the ICON Waterloo development, students were forced to use shower curtains as temporary bedroom doors.

Post-secondary students are especially vulnerable to the consequences of housing disruption. A 2014 study on post-secondary student mental health conducted by the Ontario College of Art and Design University and Ryerson University found a lack of policy strategies aimed at broader social causes of campus mental health concerns, with housing problems identified as one significantly understudied factor.

The students' union requests that the government of Ontario allocate additional resources to the Landlord and Tenant Board. Under the Residential Tenancies Act, the Landlord and Tenant Board establishes a Rules and Guidelines Committee to adopt instructions related to practices and procedures. The students' union recommends amendments be made to the application screening rules of the Landlord and Tenant Board's rules of practice to create an "applications that will be expedited" procedure. Increasing capacity at the Landlord and Tenant Board benefits all Ontarians but our belief is that entrenching guidelines which allow for certain applications to be processed faster is especially relevant for student populations vulnerable to exploitive practices.

In Premier Kathleen Wynne's September 2016 mandate letter to the Minister of Advanced Education and Skills Development, the broad theme of enhanced student success included a commitment to incorporate the student perspective, actively support mental health, and preserve access to high-quality and affordable college and university education.

When a student wishes to pursue remedies under the Landlord and Tenant Board, a prompt resolution is needed to minimize the detrimental impacts of landlord and tenant matters on the completion of post-secondary education. Whether it's an increased or unpredictable financial burden, or disruptive housing delays, Ontario's university and college students are finding their academic studies interrupted by a variety of circumstances which induce anxiety and too often place students in a position of crisis. Government resources are vital for promoting mental health awareness and ensuring students have access to critical services in times of need.

We thank you for the opportunity to present these recommendations and look forward to addressing any questions you may have.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. MPP Yurek?

Mr. Jeff Yurek: Thanks for coming way down here in London to give your deputation. One of my nieces and nephews both graduated from Laurier. They proved to be great educations they received and they're out in the workforce now and enjoying their lives, so thanks to Laurier for providing that opportunity.

Just some quick questions here. I'm unfamiliar with the health innovation fund. When was that discontinued?

Mr. Colin Aitchison: This last budget was the last year of the Mental Health Innovation Fund.

Mr. Jeff Yurek: Where did that money go? To the same idea that you want it to go to now?

Mr. Colin Aitchison: Originally, it was a project-based application process, so if any universities or colleges in Ontario wanted to apply for funding to create some sort of mental health project, whether it be awareness or some sort of position whatsoever, universities could apply.

Mr. Jeff Yurek: With the incidence of mental illness at one in five people—I'm assuming that's the same in your population in the school—do you find that there are adequate supports available to students now to get the mental health support that they need?

Mr. Colin Aitchison: I would say no. Wait times are significant, and that's just due to the lack of resources that universities across Ontario have, to provide these services.

Mr. Jeff Yurek: At that time in students' lives, it's transitional but also stressful at the same time.

I salute Bell Canada's Let's Talk, which is coming up next week. It allows people to discuss mental health illnesses and to speak about it, and it perhaps gives them the courage to come and seek treatment. However, I'm finding out that in Ontario as a whole, it's not available to people—it's lacking—and we're seeing it here.

What you're asking for is not a new spend from the government. It's just a transition from the \$12 million that they're cutting, to make sure that that's not cut and is reinvested into the students throughout the province. Is that it?

Mr. Colin Aitchison: Correct. We'd like to see it reinvested into upfront supports for those services.

Mr. Jeff Yurek: I also find that community housing plays a big role, as you mentioned, with mental health. I didn't realize how terrible it is in your region for housing for the students. You're in a growing area of the province, and a lot of people want to live there to start with. You have two wonderful universities in the area that attract a lot of students.

Do you find, speaking on behalf of students as a whole, that housing is an issue at other universities throughout the province? Do you know?

Mr. Ian Muller: Yes. As we mentioned, students within the Toronto university area experience a similar interruption. It's also a matter that tends to become quite reactionary, so we find out about these issues when the students are in that crisis position.

In the city of Ottawa, there are similar high-density, large-scale developments currently under construction.

Obviously, some of these measures are meant to be preventive but also to provide that students who find themselves in that situation have some resolution.

It is a situation that is being experienced across the province. We're just seeing a particularly high amount of it happening in Waterloo currently.

Mr. Jeff Yurek: Is there a funding ask on the housing part? I didn't get that.

Mr. Ian Muller: Additional resources would definitely help to ensure that the Landlord and Tenant Board is able to hear cases at a higher capacity.

Mr. Jeff Yurek: Okay. Thanks very much. When I was at U of T—that was in the 1990s—I too had trouble finding housing. I was in the middle of Toronto. It was usually the week of Labour Day, when we were going back, before I'd find something. The stress that you go through, let alone if you don't even find funding and school starts—I can see how that would take away from your studies and/or your health situation.

Thanks for bringing that forward, and I hope this committee will take it into consideration.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much. If you have any further written submission that you would like to give to us, it must be to the Clerk by 5 o'clock today.

Mr. Colin Aitchison: Thank you.

CANADIAN PROPANE ASSOCIATION

The Vice-Chair (Ms. Ann Hoggarth): Our next presenters are from the Canadian Propane Association. Good afternoon. Could you make sure that you identify yourself for the purposes of Hansard? You will have up to 10 minutes to present, and then there will be a five-minute question period, and it will be by the NDP caucus.

Mr. Peter Maddox: My name is Peter Maddox. I'm the Ontario regional manager for the Canadian Propane Association. I would like to thank the committee for giving us this time today. I'd also thank the vice-chair of CPA's board, Dan Kelly, of Dowler-Karn fuels in St. Thomas, for joining me today at this event.

CPA is an association based in Ottawa, with over 400 member companies across Canada. We have an office in Calgary—from where we train over 30,000 propane professionals every year through our training division—as well as staff in Toronto and Atlantic Canada. Our mission is to champion propane and the propane industry in Canada and to facilitate best practices, safety and a favourable business environment through advocacy, training and emergency response.

In Ontario, the total economic value of the propane industry is over \$1.9 billion a year. Annual tax and royalty revenue in Ontario is estimated at \$253 million, with over 3,000 jobs in the province reliant on the propane industry.

1500

Propane distribution and infrastructure in Ontario is well developed, with tremendous capacity to provide an abundant supply of Canadian energy across the province. Propane fuels the lives of Ontarians in many ways. Every day, hundreds of thousands of people rely on propane for their homes, businesses, farms and fleets. Examples include fuelling school buses, taxis, courier vans and other fleet vehicles; helping farmers with barn heating and grain drying; powering mining operations, construction heaters and forklifts; and in homes, heating air and

water, lighting fireplaces and powering fridges and dryers.

Propane is low-carbon and can emit up to 26% fewer lifecycle greenhouse gases than gasoline in vehicles, and over 20% fewer GHGs than fuel oil in furnaces. Propane emits 98% less particulate matter than diesel and contains virtually no sulphur, a contributor to acid rain. As we heard from our energy industry colleague from Enbridge at these very hearings, "Propane is ... a very clean fuel and very competitive."

Today, we have three specific areas of discussion and asks that we will be presenting.

Ask number one is that propane be included in programs that promote economic action and environmental stewardship, and that a level playing field is provided for competing energy options. With the introduction of cap-and-trade and the climate change action plan, we are at the start of a period which will define Ontario's energy future. We ask the government to avoid policy choices that attempt to pick winners. The best policies are the ones that set out a desired outcome and reward those who are able to achieve these outcomes. For fuels, examples of such goals can relate to emission reductions, energy cost reductions or the attainment of efficiency targets.

Historically, the propane industry has funded its own infrastructure and gone about the business of supplying energy to large parts of the province with little fuss. While we see \$230 million of government money going towards the natural gas expansion fund, our members continue to invest their own money in the propane network. If propane is given the opportunity to participate in government programs, which promote affordable energy and emissions reduction, we are confident that it will continue to grow as the fuel of choice for rural Ontarians and vehicle fleet operators, amongst others. A level policy playing field is where this begins.

Our second ask is that residents of rural Ontario are supported by government in programs that reduce energy costs and emissions, such as rebates for converting home heat to low-emission propane. The propane industry has a long and successful history of delivering energy to rural Ontario. The infrastructure and distribution network exists to grow and develop propane as an energy solution for rural homeowners, indigenous communities, agribusiness, industry and mining operations, particularly in areas where natural gas supply is uneconomical.

Growth of propane use to the advantage of Ontario's economy and environment can be achieved without large-scale and government-funded infrastructure. Propane is lower-emission than diesel and heating oil and has implementation and cost benefits over other energy options, such as geothermal, solar and natural gas.

Rural consumers are often an afterthought in energy efficiency and emissions reduction programs, but this is a market where positive gains can be even greater than in urban areas. The current Home Energy Retrofit Program is a good start but has limitations, specifically for rural and remote customers. A short- to mid-term focus is

needed for moving energy consumers to high-efficiency, low-emission appliances, such as those fuelled by propane, through education and rebates. This will provide quick wins in emissions reduction and help bring down energy costs without expansive infrastructure spending on potential future stranded assets.

For a \$10-million investment in retrofitting households to high-efficiency appliances through a rural-specific fund, the government can realize a GHG reduction of about 27,000 tonnes per year, which is similar to taking over 6,000 cars off the road. Such a program would also support the jobs of the thousands of Ontarians who are involved in the supply and distribution of deliverable energy and HVAC equipment.

Ask number 3 is that the provincial government of Ontario provide incentives for fleets to convert to low-emission fuels, including propane. Transportation is a significant consumer of energy in Ontario and is the biggest contributor to greenhouse gas emissions in the province. While there is no “silver bullet” solution to reduce automotive emissions and many other alternative auto technologies are still developing, propane is ready and available today to play an important role.

Because of its low emissions and existing fuelling network, propane can provide immediate reductions in GHGs and reduce transportation costs to consumers and government. This opportunity was highlighted in the Fuels Technical Report, which was produced as part of the long-term energy plan development process, as well as in the climate change action plan.

Propane is the most popular alternative transportation fuel in the world. Over 24 million propane-powered vehicles are on the road globally. In Canada, propane is the most common alternative fuel for transportation. There are approximately 60,000 vehicles on the road and around 2,000 fuel outlets across the country.

The use of propane is increasing every year because of its affordability. For example, many students riding to school are transported in propane-powered buses, the police force right here in London use propane in their cruisers, and UPS and Canada Post use propane vehicles as part of their delivery fleets. Enhanced technology has removed any reliability concerns expressed about propane-fuelled vehicles from a generation ago.

Auto propane is attractive to fleet operators because it usually costs about 40% less than gasoline and diesel. The cost to convert a vehicle, such as a taxi or a police cruiser, to a modern fuel-injected propane system is approximately \$5,000, and fleet users can expect a payback on the conversion cost within 12 to 18 months. Fuelling stations cost as little as \$50,000.

Despite the financial attractiveness of propane to fleet operators, there is a need for government support to create economies of scale, which will encourage further growth in this market. Greater auto propane use will boost the development of conversion, fuelling and equipment markets, leading to a self-sustaining industry.

Sleegers Engineered Products, of London, Ontario, are the leading manufacturers of auto propane tanks in North

America. Imagine the boost to their business and employment with increased market demand for their products.

We ask that, as part of its transportation strategy, the provincial government commits to supporting the conversion of fleets to alternative fuels. An incentive of \$2,000 per vehicle, allocated from cap-and-trade proceeds, toward conversion of vehicles to low-emission propane will have a massive impact on uptake and create significant emission reductions and cost savings. Introducing propane vehicles into the government fleet would also support the industry and create cost reductions for the province.

In conclusion, propane is a ready-to-go solution for some of the major economic, energy and environmental challenges facing Ontario. With wise policy direction and limited additional spending, propane can provide significant advancements for rural energy users and automotive fleet operators through reduced emissions, lower costs and improved efficiency.

Every year the propane industry invests many millions of dollars of its own money into improved infrastructure and technology. The industry looks forward to working with the Ontario government to develop measures that benefit businesses, taxpayers and the environment, and help to strengthen the province's energy future.

With that, Dan and I are happy to take questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Mr. Maddox. It'll be MPP Vanthof.

Mr. John Vanthof: Thank you very much, Propane Association, for coming.

Coming from northern and rural Ontario, I really appreciate that you're putting a highlight on the role that propane plays. I heat my house with propane. People think propane is just for barbecues, but it cools the fridge at the cottage. I was a farmer; I dried a lot of grain. Our cheese plant heats all their water with propane. It's a great fuel.

In your presentation, you also said that some people were switching from geothermal to propane, which is in fact very true, because propane is better for the environment than oil, but also much more economical than geothermal in my part of the world. I think one thing, the role that propane plays—it's an improvement for the environment but also affordable for the people who use it.

Your comment on more propane appliances: Again, that would make a big difference for the people of rural Ontario. Anything that we can do to help, in this committee—I'd highly suggest that this committee should make remarks on that.

I'd like you to elaborate a bit further on the benefits of a program to put more propane in more vehicles. I think there's a big opportunity there.

Mr. Peter Maddox: For those of you who were around in the 1980s, propane became a fairly significant automotive fuel back in those days. Unfortunately, back then, the technology wasn't great. It was also a heavily subsidized program and there were no economies of scale, so when the subsidies got pulled out, the bottom dropped out.

People weren't happy with the technology. I have people now say, "Well, I had a propane vehicle in the 1980s. It was no good, so I wouldn't have one now." I would say to them, "Well, did you have a cellphone in the 1990s? And if it wasn't any good, would you now say, 'I won't have a cellphone now'?"

1510

The technology is available. In my home country, Australia, probably 10% of vehicles are on propane. Anyone can pull into a gas station, fill up themselves and get on their way. They're typically paying 40% less for the fuel. The growth is happening here, but it's incremental. People are saying that what we really need is a bit of a push over the line to get people using it, and some sort of subsidy.

There are obviously subsidies for electric cars, and electric cars are great for certain uses at this stage. We'd like to see the same for propane, and potentially for things like natural gas and hydrogen, if that suits their market as well. But the infrastructure is there. There are filling stations all over the province. A propane filling station can cost, say, \$50,000 to implement. With compressed natural gas, you're looking at sometimes over \$1 million to put it in. They're slightly different vehicle uses, but there are certainly different costs there.

I don't know if Dan can speak to this as well. His company runs some filling stations.

Mr. Dan Kelly: Certainly. The ability to use propane in a vehicle has so many different benefits to it. Currently, we're retailing propane at 59 cents a litre. The performance that comes from propane versus gasoline is short of gasoline, but not by very much. The difference, when you take the economies of scale into it, is certainly beneficial to propane.

The city of London police are a customer of mine. We sell them a great deal of propane. Every one of their cruisers is burning propane, and their performance is meeting all the standards required for operation of police vehicles in the province of Ontario.

The product is abundant. The product is inexpensive. The technology has reached a level where it is certainly very reliable and the performance is there for the product. When you're talking about motor vehicles, it's an easy way to fuel a vehicle, it's an easy way to operate a vehicle, and the technology is there. It certainly is of benefit to the consumers in Ontario to be using propane in their vehicles.

Mr. John Vanthof: Do I have some time?

The Vice-Chair (Ms. Ann Hoggarth): You have one more minute.

Mr. John Vanthof: Would you say that in some ways, it actually has a quicker benefit or a different market than electric vehicles?

Mr. Peter Maddox: We don't know what the market's going to be in 20 or 30 years' time. Maybe by that stage, electric will be able to do not just the small city vehicles but larger-scale vehicles as well. The reality is that if you put in a propane filling station now and put, say, 20 or 30 vehicles in a fleet on propane—usually in a

fleet, you're looking at a seven-to-10-year cycle before you move to the next technology of vehicles, potentially. We can gain those cost savings. We can gain those environmental benefits now without putting in massive amounts of infrastructure.

If in 15, 20 years there are other technologies available, then you've done some good stuff in those preceding 15 years. I think it makes sense to do it now rather than sort of waiting around for the silver bullet that could come along to solve all the transport problems.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have a further written submission other than the one you've already handed in, it needs to be in to the Clerk by 5 o'clock tonight.

Mr. Peter Maddox: Thank you.

Mr. Dan Kelly: Thank you very much.

CANADIAN URBAN TRANSIT RESEARCH AND INNOVATION CONSORTIUM

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter will be the Canadian Urban Transit Research and Innovation Consortium. Good afternoon. Would you please identify yourself for the purposes of Hansard? You will have up to 10 minutes for your presentation, and then you will have questions from the government caucus.

Dr. Josipa Petrunic: Fantastic. Thank you very much for inviting me. I appreciate the opportunity. My name is Josipa Petrunic. I'm the director and CEO of the Canadian Urban Transit Research and Innovation Consortium. It's a big, long mouthful, but it goes by CUTRIC. It's also a bit of a misnomer, because the name stands for "urban transit," which is how we grew up and how we were created, but based on our industry consortium now, we do auto, rail, trucking and transit.

Just to first take you through a couple of background points and then end on some of the recommendations and open it up to questions, CUTRIC is an innovation consortium. That doesn't exist, really, anywhere else in the country, so it's quite unique. It was created on a very unique model that looked at the Fraunhofer Institutes in Germany, the Obama institutes in the United States, and some of the innovation success the aerospace industry has had in Canada in CRIAQ and CARIC, which are innovation consortia in Quebec. But we have never, in the auto sector, in the rail sector or in the transit bus sector, actually launched an innovation consortium in the history of Canada, let alone in the history of Ontario, which may explain why we're so bad at that valley of death of innovation. It's part of the story, at least.

Two years ago, companies came together—Bombardier, Thales, New Flyer, Siemens, ABB, these kinds of large manufacturers—along with suppliers and start-ups to launch an innovation consortium in Ontario that would help to de-risk, co-fund and launch large-scale and small-scale high-risk, high-cost innovation projects in mobility.

The areas that we work on—in front of you, you have a package. If you look at page 3, it gives you the five pillars of innovation we focus on. In summary, though, basically, the areas we focus on are electrified vehicles; hybrid vehicles; zero-emission and low-carbon vehicular technologies; data and analytics for transit systems; and connected and automated vehicles. Basically, anything that gets rid of carbon in the vehicular domain, or reduces a carbon footprint in transportation, or automates and connects the vehicular system or the transit system to improve mobility—that's what we're working on.

Philosophically, as an organization, CUTRIC is not that interested in subsidies and incentives for electric vehicles. That's neither here nor there, because we don't work on the adoption side per se; we work on the innovation side. Our interest is more in making sure that companies are designing these technologies and companies are building these technologies in this province and in this country, so that the jobs are here and we're not simply importing products made elsewhere on the taxpayers' dime. That's really what we look at.

In the last two years, we have grown much more rapidly than we could have predicted. First off, I have to applaud the government. Cap-and-trade has been our biggest friend. There is no bigger hindrance to innovation in a low-carbon mobility domain than artificially low-priced diesel and gasoline. The pricing of carbon—even the thought of the pricing of carbon—has motivated dialogues around technology investment in this province that simply did not exist before among our industrial members.

Secondly, I applaud the government on the OCAP, the Ontario climate action plan. Within that plan, the piece that we're interested in is the investment in a low-carbon mobility institute for innovation, and I have a recommendation apropos of that.

Lastly, I need to thank the government. In 2016, some of your colleagues were quite visionary at the Ministry of Economic Development. They launched forward, through the auto team, a \$10-million bid for CUTRIC. That \$10 million was granted to us last year in your budget. We just received the cheque this month, and I expect to have all \$10 million spent in the next three months. That should give you an indication of how many industry-led innovation projects there are in this province in low-carbon mobility.

Now, on to the recommendation. You provided \$10 million in the first set of funding. That's matched by the federal government and matched by industry investment, so it's clearly attracting foreign direct investment and domestic investment into the province in low-carbon mobility. The big question is, what's next? A big challenge we've had, not just in Ontario but across the country, is lack of sustainability for high-cost, high-risk innovation funding. So \$10 million is great, but in the grand scheme of things, in this landscape, it's a drop in the bucket. That's just the frank reality of the matter.

What we've done well in Ontario and federally in the past is put some money into very small projects. What we haven't done too well—

Interruption.

Dr. Josipa Petrunic: That's my musical background, unplanned.

What we haven't done too well in the country and in Ontario is fund high-cost, high-risk projects. What you'll find is if you look at Ontario research funds or you look at Ontario centres of excellence, they do a great job for what they were designed to do. But what they were designed to do are very small-scale research projects with some mid-scale demonstration.

What we're looking at with our companies is a range of small- to large-scale integration trials and commercialization research, so it's a different beast altogether. Effectively, we've been extremely successful in the last year and a half, but now, what is next?

To summarize, we have three recommendations. One is in front of you in the budget ask. There is also in this document a letter that we submitted to four ministers, based on the OCAP recommendation for \$40 million for a low-carbon mobility institute.

Our recommendation, as part of our budget ask, is what we have been recommending for the last two years with the federal government and the province and three other provinces. It is a \$30-million ask, an exponential growth in the amount of money being put into high-cost, high-risk innovation, with, again, all of that money being matched by industry partners and federal partners. That goes without saying.

The second recommendation, of course, building on that, is that you've created a mechanism for yourself. In the OCAP, you actually created this idea of a low-carbon mobility institute. Problematically, we would argue, it's mal-structured. The idea in the OCAP was that it should be \$40 million at a university. That would be to repeat a problem and a mistake that we have repeated for decades.

Our consortium has put together and submitted a letter recommending that that \$40 million should not go to one university. That is absolutely the wrong way to fund low-carbon mobility. What it should do is provide a fund to an innovation consortium to support collaborative research and development. In part, that is because one university does not carry all of the technological capability to do work and development in hybrid electric, renewable natural gas, lightweighting and data analytics. So across the low-carbon spectrum, it is simply misaligned to think of one university as the hub. In fact, we have over 22 universities in our consortium, all of whom signed that letter, arguing as well that it's a bad idea to plunk that money into one university.

1520

To summarize, we've put forward our budget ask. It was at \$30 million. You created a mechanism at \$40 million which we're saying could be harnessed and leveraged for this very purpose. It would build on the last year and a half of success we've had, where we thought we'd have 20 projects in Ontario and we now have over 70. Clearly, it's a growing organization. Industry is attracted by this structure, and it is resulting in projects in electric vehicles, hybrid vehicles, electrified powertrain, vehicle-to-grid connectivity, lightweighting and data analytics.

Just on one last item: Government is very good, as is typical, at funding low-risk technology. If we look at, again, Ontario Centres of Excellence, Ontario research funds, federally NSERC and some of the funds: These funds typically, when they are ensconced in government, are oriented around low-risk research, and that's good. There is some very good low-risk research out there. But if you're talking about electrified vehicles, hybridized vehicles, renewable natural gas for propulsion, or automated vehicles, these are by definition high-risk, so they are not well situated within a government funding program where risk, and technology risk in particular, cannot be absorbed.

This is new for Ontario. We really haven't done high-risk, high-cost innovation except for CUTRIC in the last year and a half, so I'm quite hoping that you may accommodate those recommendations and recognize the need to build on what you've already done, which is invest in the CUTRIC consortium and help it to grow even further to make sure that jobs are in Ontario in the electrified, low-emissions, low-carbon mobility domain.

Thank you very much. Those are our recommendations. I'm more than happy to field questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. MPP Martins?

Mrs. Cristina Martins: Thank you, Josipa, for being here. It's great to see you and to hear the level of enthusiasm you have around the consortium.

I've had an opportunity, as you know, to be present when there were a number of projects that were being presented and bid on, and I was quite taken aback and very much in awe at the amount of innovation that is currently going on in our province for projects like the ones that you've described, whether it be in electric vehicles or in solar panels or whatever it is that we're doing. You had electric charging stations for buses. I just thought it was absolutely amazing.

Someone posted today on Facebook something about, in Australia, the first solar-panelled tram or something like that that was going to be launched—very interesting work in this area.

I want to congratulate you for that and for the work that you're also doing alongside the Ministry of the Environment and Climate Change when it comes to reducing our carbon footprint.

I had an opportunity last week to be presented on a project that is being done in Israel on wave technology—very different than the transit area that you're working on. You remind me of the woman who presented—this young, vibrant CEO of this company, a co-founder of this company that is doing amazing work with wave technology and changing the waves into energy. I just thought that was very interesting. This phenomenon of trying to reduce the carbon footprint is really a world-wide phenomenon.

You mentioned and referred to the \$10 million that CUTRIC has received from the Ontario government to help you with your mission. My question is—let me just get my ground here. You received, through the 2016

budget, to help progress organizations' missions to enhance and enable industry-academic collaborations and the development of next-generation technologies for Canadian transit and transportation and integrated mobility systems and to drive innovation in transportation networks across Canada, leading to job growth and economic development—that being your mission statement.

Can you tell me how this \$10 million has helped you progress your mission?

Dr. Josipa Petrunic: Yes, absolutely. Thank you very much, MPP Martins. We really appreciate your support on some of those projects and the work at the national forum last year.

The vast majority of the \$10 million—in fact, over 90% of it—goes right into projects. Just by way of introduction to CUTRIC, our operations, down to my salary and the salary of our staff, are paid for by members through their membership fees. That way, the taxpayer is not carrying the dime for running an innovation consortium.

On the project side, the \$10 million goes into co-investment of projects. Members come forward with projects. Some of the projects are \$1 million and some are \$45 million, depending on the size, the scope, the effect and the impact. That will have an effect, of course, on the price.

What we do in terms of the project is we always look at a government investment provincially, a government investment federally, and then the industry investment. The industry partners expect you to put down at least 25% and up to 50% of the cost of a project. That's cash on the table to help offset the cost of the project. Obviously, the industry member is going to walk away with the intellectual property and hopefully the opportunity to commercialize the tech, so they should be carrying risk.

Those dollars are invested in Ontario because the researchers are here, the labs are here. They're doing the work here, not in Germany, not in Michigan.

Then the province is asked to co-invest at a ratio of 20% to 25%, so that \$10 million goes into that 20% to 25%. Then the federal government is asked to co-invest at a ratio of 30% to 50%. The ratio depends on the technology readiness level of the project. I don't want to get into the jargon of TRLs, but basically it's a scale of one to nine. One is you're down looking at the molecule in a lab. There's no way that's going to be commercialized for a decade, so you're at very early stage research. Most companies don't pay for that kind of research. If they do it, they do it in-house, like a pharmaceutical company.

So we look at TRL two to eight. That's where you're at an early stage of research. You're a company, you want to know something, but you don't have the technology in-house, you don't have the personnel, so you outsource it to a university. TRL four, five, six is modelling, simulation and prototyping, and TRL seven, eight, nine is integration trials, really high-cost, right before commercializing.

We do all of those. The \$10 million goes into that. The 20% to 25% ratio depends on where you are on that scale. So that's how that \$10 million is being used.

Happily, we have way more solid and robust projects than we can fund with \$10 million. We are committed to not chopping up that \$10 million into a thousand different little projects. That's a useless waste of time for the economy. We'd rather fund a couple of really large projects and then come back to the table to request more funding.

Mrs. Cristina Martins: Perfect. One of the steps that we've taken to increase the use of electric vehicles in the province of Ontario, as part of our climate change action plan, has been to provide Ontarians with over \$58 million in incentives to purchase over 7,000 electric vehicles and over \$1.4 million for the installation of over 1,600—

The Vice-Chair (Ms. Ann Hoggarth): Thank you, Ms. Martins. Time's up.

Thank you for your presentation. If you have any further written submissions, they need to be to the Clerk before 5 p.m. today.

Dr. Josipa Petronic: Thank you.

CONSERVATION ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): Our next presenter is Conservation Ontario. Good afternoon.

Ms. Kim Gavine: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): Welcome. If you would please identify yourself for the purpose of Hansard, you will have 10 minutes to make your presentation and up to five minutes for questions. The questions will come from the PC Party this time.

Ms. Kim Gavine: Good afternoon, respected members. I do thank you for your time today. I'm sure it's been a long day for you.

My name is Kim Gavine. I'm general manager with Conservation Ontario. Today, I have with me here Jo-Anne Rzedki. She's our business development and partnership coordinator.

Our organization represents Ontario's 36 conservation authorities, which are watershed management agencies working across the province. Conservation authority programs and services provide many added-value benefits for the province, helping to protect the Great Lakes, drinking water sources and natural areas as well as protecting people and property from costly flooding and erosion damages.

There are three messages I hope you remember after hearing me today and reading our submission to the committee:

(1) The costs of addressing flood damages in Ontario are significant and growing. This includes damage to property and flood infrastructure, as well as the cost of business disruption and ecological damages.

(2) Conservation authorities are cost-effective and very experienced partners. They have worked since the 1940s with the province to reduce and mitigate the damage of flooding and erosion.

(3) Conservation authority flood programs cannot keep up with the growing number of flood incidents and damages and need immediate short-term and long-term investments. Funding is needed to address aging infrastructure, updates to floodplain mapping and flood operations.

Climate change impacts and their costs are definitely increasing. Two reliable sources, the Insurance Bureau of Canada and the federal Auditor General, urgently warned us that weather-related incidents and the costs required to address the resulting damage will continue to grow. These costs are felt by all levels of government, businesses and residents in Ontario.

Earlier this month, the Insurance Bureau of Canada called on all levels of government across Canada to improve climate change preparedness after a record-breaking year of damage caused by natural disasters such as wildfires, ice storms and flooding.

1530

They flagged a number of notable flood incidents in Ontario, which included July storms impacting Bradford, Markdale, London and Toronto. They also highlighted a September storm in the Windsor area that prompted the city of Windsor to declare a state of emergency.

In addition, a spring 2016 report released by the federal Auditor General stated that severe weather "will have an even greater impact on Canadians. Physical, social and economic impacts are significant, often resulting in long-term costs and disrupting everyday life."

What's more interesting about this report is that according to the Auditor General's office, Public Safety Canada estimates that every \$1 invested in mitigation saves \$3 to \$5 in recovery costs. Spending money on keeping conservation authority flood operations up to date will save money.

This leads me into my second message, which is that Ontario's 36 conservation authorities are very cost-effective and experienced partners for the province in reducing and mitigating the impacts of flooding in Ontario. Reviews of flood programs across Canada have shown that Ontario is a leader in flood operations, compared with other provinces. We feel that this is due in large part to a long-standing relationship between the province, municipalities and conservation authorities, which again dates back to the 1940s.

In addition to flood management programs within conservation authorities, there are many other conservation authority programs and services which also help to manage the impacts of flooding and build resilient watersheds. These programs include watershed planning and regulations, source water protection, low-water programs, agriculture and other stewardship, green infrastructure, stormwater management and many others. Together with the flood management programs, they provide a solid package.

My last message is around the need for more provincial investment. As we've shown in our flood business case, provincial funding has not kept pace with the needs of conservation authority flood programs, programs

which the province itself relies heavily on. We struggle with outdated flood plain mapping, aging infrastructure and, particularly, reduced flood operations. Today, conservation authorities share a total of \$7.4 million in flood operations funding, and a matching contribution of \$5 million a year in infrastructure funding. This funding falls well short of what is needed.

Many municipalities have had to step in and address immediate flooding concerns on a local basis. Their ability to do so varies, however, with many smaller municipalities struggling to contribute.

Through incremental investing, starting immediately, the province could begin to bring the conservation authority flood operations up to where they need to be. A high-level review of these numbers is provided in our submission to the committee, which we have provided.

These investments will help reduce future costs and damage costs, which will, if not prevented now, be much greater and need to be paid for by the province and others.

I apologize to the committee that our message today is not new for you, but I must stress that each year we delay in addressing the lack of funding in Ontario's flood programs, the greater the need becomes. I hope I have been able to effectively communicate these key messages that I started with you at the beginning.

At this point, I'm happy to take any questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. I'll turn to MPP Yurek.

Mr. Jeff Yurek: Thanks for coming. It's good to see you again.

Ms. Kim Gavine: It's good to see you.

Mr. Jeff Yurek: I had a good relationship, I think, with Conservation Ontario when I served as the MNR critic a few years back, and I think the issues are the same as they were before.

Ms. Kim Gavine: Yes.

Mr. Jeff Yurek: My riding is lucky enough to have five conservation authorities intersecting throughout, which I think is really neat.

The infrastructure is the key. I know that reconstruction of dams, which really control the flooding—is it \$2.5 million that's needed for the dams? Do you want to just carry me through this thought?

Ms. Jo-Anne Rzadki: Sure. Thank you for that question. Currently, the province provides \$500 million a year matching funding—

Ms. Kim Gavine: It's \$5 million. I wish it was \$500 million.

Interjections.

Ms. Jo-Anne Rzadki: Sorry, \$5 million. I wish that would be. Thank you, Kim. It's \$5 million a year, which is matched by conservation authority municipal funding. We are regularly oversubscribed by \$4 million, so we are making a request for another \$2.5 million from the province, which would be matched, which would cover the needed investment and also help us invest in small communities where they don't get the appropriate funding.

Mr. Jeff Yurek: With regard to municipalities, as you mentioned, they're taking more of a financial hit to support conservation authorities. Are you hearing it from your municipal partners, that it's possibly unsustainable to continue on the path that you're on?

Ms. Kim Gavine: I'll start. Absolutely. Through the Conservation Authorities Act review, which was led by the province over the last year and a half: Definitely, that was a consistent message that we were hearing from the municipalities—the continued increasing cost of doing business. In particular, their biggest concern was around the flood management program and the aging infrastructure. Jo-Anne alluded to the fact that the current funding we have is continuously oversubscribed. A lot of times, that funding is going to the urban areas, and some of those rural and northern areas will never see any of that funding because there's just not enough to go around. So, absolutely, this is definitely a consistent message that we're hearing from the municipalities.

Ms. Jo-Anne Rzadki: I could add something else, too. Another thing we'd like to call attention to is that we do have outdated flood plain mapping. Some of it is still on paper, and many of those paper maps are in rural and northern communities. We currently have an opportunity to take advantage of a federal program called the National Disaster Mitigation Program. Currently, the province is not providing any funding to match that. They are requesting that conservation authorities and municipalities pay for that. For that reason, those small, rural and northern communities cannot find the funding to match the federal dollars. We're asking that the province consider matching those dollars so that those communities can get some funding to update those maps.

Mr. Jeff Yurek: Do I still have time, Chair?

The Vice-Chair (Ms. Ann Hoggarth): Yes.

Mr. Jeff Yurek: What I heard in the last few comments was that there is money there; however, it's not reaching rural and northern Ontario. Their basic infrastructure is deteriorating and not being replaced, which is only going to increase in cost by the time it comes around. So maybe working with the federal government, but also making sure it's equitable across the province would be a possible suggestion.

Ms. Jo-Anne Rzadki: That's one response. May I add another as well?

Ms. Kim Gavine: Yes, of course.

Ms. Jo-Anne Rzadki: In urban areas too, we're getting more urban flooding. New technologies for mapping that are being developed which are costly. The kind of base mapping that we need, which is mentioned in our submission, is very important to urban areas for mapping and other flood prevention programs.

Mr. Jeff Yurek: How about wetlands? Wetlands are great for—the big sponge of the environment—not only helping with flooding but also capturing carbon. Is part of your ask enhancing and ensuring wetlands? I know there was a big cut to stewardship in the province a few years ago, which hasn't really helped rural Ontario, again. Maybe you could speak towards that?

Ms. Kim Gavine: Do you want me to get that?

Ms. Jo-Anne Rzadki: Yes.

Ms. Kim Gavine: Absolutely. Again, we did provide comments to the province on the wetlands strategy, but the other place where I think it fits in is through the climate change strategy. We've really been stressing to the province that wetlands and other natural areas, which conservation authorities are responsible for managing in a lot of situations, are helping to achieve some of the targets that are set in the climate change strategy. We've really been pushing to ensure that, along with mitigation, adaptation through the roles of things like wetlands and flood attenuation. They're protecting people from flooding in their homes. They're providing wildlife value. I think there are huge benefits to—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you have another written submission, it needs to be to the Clerk by 5 o'clock tonight.

Ms. Jo-Anne Rzadki: Thank you very much.

THE DAVIES GROUP

The Vice-Chair (Ms. Ann Hoggarth): We call on the Davies Group. Good afternoon, and welcome.

Mr. Ted McKechnie: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): You will have up to 10 minutes for your presentation. Then there will be up to five minutes of questioning by the NDP.

Mr. Ted McKechnie: Ted McKechnie: I'm the CEO of the Davies Group, and I'm representing the advanced technology for food manufacturing initiative. You don't have copies because, as I'm a small business, my copier ran dry, and I either had a choice of bringing 25 copies late or not coming, and it was important to be here. So I thank you for the opportunity very much.

I really want to talk about advanced technology for food manufacturing, particularly in Ontario. I'm going to start with the ask first: We're asking for approximately \$1.685 million to support the transition of three pilot programs with food processors and tech integrators in the Ontario market, which will ultimately scale up. I'll explain that a little more. The impact of that over five years, once the pilot projects are successful, is that it drives over 4,000 jobs and creates \$3 billion in incremental commercialization, productivity savings and capital.

1540

I'm a 30-year veteran of the food industry, a former president of Maple Leaf Foods and a bunch of other businesses. I really was born into the business. As a matter of interest, my great-grandfather, William Davies, started the meat-packing business in Canada. The reason that Toronto is called Hogtown is because the William Davies Co. exported hogs to England. The William Davies Co. ultimately morphed into Canada Packers, then morphed into Maple Leaf Foods. I was lucky enough at some point—not because of family connections but because of, hopefully, good work—that I was able to become president of Maple Leaf Foods.

The project is non-profit. We've worked on this for five years. We've done an incredible amount of research. My two partners and I are really trying to give back to the food business. It has been good to our families.

A little, quick overview on the food business: It's the largest industry in Canada and Ontario. It's \$100 billion in Canada and \$40 billion in Ontario, and it contributes significantly to job growth, GDP and all those things. There are 8,000 food processors in Canada, with over 4,000 in Ontario; 99% have fewer than 500 employees and are designated as SMEs. SMEs are significant contributors—more than large companies—to job creation, innovation and economic growth.

The important piece is that the food and beverage processing industry lags in its transition to technology. As a result, we are competitively disadvantaged domestically and globally. Because we lack productivity, we lack competitiveness internationally.

Canada's trade deficit increases by \$2 billion annually, and we are losing share domestically to better-value imports. CETA and TPP, without action, will exacerbate this issue.

Finally, Canada's share of the \$150-billion global technology, or food equipment, market is less than 1%. Everything, from a food standpoint, is sourced outside of Canada.

There is a critical equation, which has been years and years of research, both on the private side and the government side: Productivity drives economic growth and prosperity; technology drives productivity. Therefore, technology drives economic growth and prosperity. So technology and innovation are inextricably linked—and I am focusing on the food industry.

We did significant in-depth interviews—over 300 over a period of a number of years—to create and revise advanced technology for manufacturing. I talked to the presidents of all of the auto companies in Canada, academic institutions, food processors, technology innovators and fabricators—literally everybody.

Also, this model was reviewed and revised with Food Valley Netherlands, Wageningen University in the Netherlands, German Institute of Food Technologies, Rutgers University, Hightech Europe, the Israeli BIRD Foundation, and global incubators, accelerators and commercializers across the world.

Our objective is really to transition existing, adapted and new technology to the Canadian food and beverage processing industry—the bulk of that is in Ontario, because we control 45% of those processors—and address the single biggest issue in food processing, which is a lack of productivity, and address the gap, which is the competitiveness globally.

We're focused on SMEs, and the key metric is commercialization. There are a few incubators out there on the food side, but they still don't commercialize. They get to the acceleration stage but cannot scale up. Our average ATFM project is about \$1 million, with a minimum of \$500,000 in cost savings. There really are some obstacles in this program. SMEs must be the focus

from both a private and a government standpoint. Large ones tend to be the focus, so more funding is required for SME food processors.

The other thing is—and this is changing—the technology industry sees themselves as an industry in themselves. Being from Waterloo region, as MPP Vernile is—technology is great but there is an arrogance. They see themselves as an industry in themselves, not as a service, a vehicle or a catalyst to support manufacturing success.

Now, that is changing. I will be meeting in two weeks, in separate meetings, with Minister Bains and Minister MacAulay on this very program and talking about that. But it really is ironic, in many ways, that government funds innovation; however, because ATFM is so unique, innovative and transformational, we don't fit in many of the existing programs. As a result, it has been difficult getting funds.

The benefits of ATFM, quickly: lead the food industry to apply advanced technology to food processing, which we don't. If you go into a food plant, an SME, it's old equipment and it's not as productive as it should be. Technology leads to improved productivity. Improved productivity leads to improved competitiveness. It facilitates linkages between high-tech food and technology integrators and fabricators, and that's one of the unique things.

We don't use academic institutions. When we interviewed with ATFM, they said academic institutions provide eight-to-10-year-long programs on technology, but if you want to transition aggressively to technology, use tech integrators and fabricators, who build the equipment along with your R&D.

More competitive companies defend effectively against imports. They also have more effective exporting, which we want to increase, and manual food production jobs are replaced by high-skilled jobs. Opportunities develop for the high-tech automation equipment manufacturing sectors in both Canada and abroad, so there's an opportunity for us to gain just 1% of that \$150-billion business. The benefits of an ATFM initiative are sustainable. It's not-for-profit, it's industry-focused, it collaboratively connects ministries and industries.

Again, our ask is \$1.685 million to complete and start the pilot test. I have details that I could go over later, but the impact with the program's success in carrying on is that it scales up quickly: over five years, over 3,500 jobs and over \$3 million in revenue through a combination of productivity, capital spending and commercialization value. We are sustainable because what we do is that we take ATFM as non-profit. It takes 5% of the commercialization value for three years, and 5% of the productivity, which we and many of the 300 food processors have agreed on.

I went through that quickly, but thank you very much. We're very passionate about this, my partners and I, and we're obviously really looking forward to your questions. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. I'll turn it to MPP Vanthof.

Mr. John Vanthof: Thank you very much, Mr. McKechnie. Obviously you've got lots of experience in the food industry and the processing sector. But I've got lots of experience in the production sector; I was a dairy farmer for a long time.

Often those of us who have intimate knowledge speak in our own language, so I'm still not clear: Are you looking to move technology as it's used in other areas, to expedite that here, or to help processors? I'm not totally clear.

Mr. Ted McKechnie: I'm looking to add technology to Canadian food processors, and ideally to use Canadian technology integrators and fabricators to make it. What we may do is buy equipment from Italy and adapt it to our needs, which then becomes innovative, and then use it. But the whole objective is, how do we get significantly more technology and make Canadian food processors of any type more productive? We're not competitive in the world today, and again, TPP and CETA will exacerbate this if we don't take action.

Mr. John Vanthof: So basically, you've got processors who are busy doing their job and who aren't focused on adapting new technology, and you want to help them do that?

Mr. Ted McKechnie: We interviewed, as I said, 300 and we did research on another 200, and ultimately SMEs are very smart people, but they're often—out at Maple Leaf Foods, there's a product development person. They're not a large company. Cash is very difficult to come by.

The plan is that on a \$1-million project, half a million would be paid by the food processor and half a million would be contributed by the government. When you sit down with a food processor, in the first five minutes of talking about this program, they say, "Oh, no, I just can't." You sit down and say, "Listen, we can work through a project which will give you significant productivity gains, so the payback is in two years. If you were paying for it all yourself, obviously the payback would still be good, but it's better because you just pay \$500,000."

Ultimately we go to single processors. Ultimately, with the success of this, we will be able to bring multiple processors—batter and breading guys, dairy people—together to contribute to a technology. Right now, it's going to one food processor because we tried to get multiple food processors together on the project and they just said, "Oh, no, we're too competitive." But if they see the success of the project, we believe that they'll start synergizing and collaboratively connect.

1550

Mr. John Vanthof: You've put a lot of thought into this and consulted a lot of people. What sort of success or response have you had when you've approached individual provincial ministries?

Mr. Ted McKechnie: Very limited, and the basic reason is because, as I said, it's so innovative that it doesn't fit into any of their programs. Bruce Archibald said it when he was president of FedDev. He said,

"Listen, this is a great program. It's innovative. It's transformational. But it doesn't fit. It won't fit into any of the programs. So what I'm going to do, I am suggesting, let's do three pilot tests." A month later he left and went to CFIA, so the whole world changed again.

We have pretty nice interest; I mean, I wouldn't get meetings with Minister MacAulay and Minister Bains on ATFM. I've also worked with Dominic Barton, who I worked with at Maple Leaf Foods, who is the chair of the federal economic committee.

I'd like to see this because Ontario benefits so much. I'd like to see Ontario be a significant part of this also. I met with OMAFRA yesterday and they basically said, "I agree with you. It doesn't fit, but it is innovative and, quite frankly"—I don't want to quote anybody—"we don't have any money other than for our earmarked programs."

I said, "Well, \$1.685 million is a lot of money to me and a lot of money to everybody. But it can drive over five years once you scale up to thousands and thousands of jobs and billions of dollars of incremental revenue that Canada desperately needs."

Without change, the food industry is coming close to a defining moment, and that defining moment needs to be spurring SMEs—smaller businesses—into becoming more competitive so we can export. Much of our focus in incubators is product development innovation. So you have a unique selling proposition. But without technology innovation, you have a unique product that costs 50% more than it should, and we're not going to be able to export.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. If you're able to get your presentation's written submission to us, it needs to be to the Clerk by 5 o'clock. Thank you.

Mr. Ted McKechnie: I will. Thank you very much for your time. I do appreciate it. Thanks for the questions.

COUNCIL OF ACADEMIC HOSPITALS OF ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): I call on the Council of Academic Hospitals of Ontario, please. Good afternoon.

Ms. Karen Michell: Good afternoon.

The Vice-Chair (Ms. Ann Hoggarth): If you would identify yourself for the purposes of Hansard. Your submission is up to 10 minutes and then you will have five minutes of questioning by the government.

Ms. Karen Michell: Thank you. I'm Karen Michell, the executive director of the Council of Academic Hospitals of Ontario. With me this afternoon are Dr. Gillian Kernaghan, the president and CEO of St. Joseph's Health Care in London, and Murray Glendining, the president and CEO of London Health Sciences Centre. They are two of the 24 research hospitals represented by CAHO and also represent their joint research institute, the Lawson Health Research Institute.

As any major industry or sector knows, you must invest in research and development to ensure that your service constantly meets the highest standards. And that is no different for health care. That's why health research is critically important to the sustainability and quality of the Ontario health care system.

Collectively, research hospitals are making the province of Ontario healthier, wealthier and smarter: healthier through the discovery of better care, cures and treatments discovered here, tested here and delivered here; wealthier because the research conducted in Ontario's hospitals can save the system money and generate economic benefits through new innovations, leading to job creation and business development; and smarter by retaining homegrown talent and attracting the best and brightest scientists and specialists from across the globe.

The numbers really do speak for themselves: R&D investments in our research hospitals in Ontario support over 42,000 jobs. We have over 18,000 researchers and research staff in our hospitals. There is a three-to-one return on investment for every dollar that is spent in health research.

Finally, our hospitals attract over \$1.4 billion in annual research revenues, 60% of which come from outside of the province, meaning that we're drawing over \$800 million in investment into Ontario every year.

But health research is not a luxury. It is a critical part of supporting the entire health system in Ontario.

I'll outline our pre-budget recommendations shortly, but first I'd like to give both Gillian and Murray an opportunity to describe some of the research that's happening right here in London.

Dr. Gillian Kernaghan: Thank you, Karen, for the opportunity to tell you a little bit about some of the high-impact research that's happening here in London.

St. Joseph's is a major teaching, research and care centre in London, Ontario, but serves a broader region. We are known for our compassionate care that we provide in a wide range of clinical, hospital, long-term-care and outreach services that we provide into our region.

Our commitment to research is very clearly outlined in our strategic plan. It's really through that spirit of inquiry by our physicians, researchers and other health care providers that important questions regarding patient care can be answered. We call it "driving the best practices of tomorrow." That's really important.

Researchers at St. Joseph's Parkwood Institute, one of our sites, are leading the way in clinical research targeted at the earliest stages of cognitive decline, which is one of those things that's affecting so many people in our society. The goal of that is to stop or slow the progression of conditions like dementia or Alzheimer's disease.

The Mobility, Exercise and Cognition Team, led by one of our researchers, Dr. Manuel Montero-Odasso, is coordinating the first clinical trial in the world to test a triple intervention aimed at treating mild cognitive impairment, or that pre-dementia condition, and delaying the onset of dementia.

At the early stage of decline, individuals begin to experience problems with memory, language, thinking and judgment. Research has shown that there is an intricate connection between mobility, so how we move and walk, and how we think, so our cognition. Treatments targeted at both may hold the key to early recognition and delay.

For this unique study, the research patients will receive progressive physical exercise combined with cognitive training and vitamin D supplementation. Results from this hospital-based research will help clinicians provide the best care for our patients. By delaying declines in cognition, we can improve a person's quality of life in a very remarkable way. Even more, each one-year delay of progression to dementia in older individuals at risk has the opportunity to save billions of dollars in the health care system.

The hope is that with continued research and innovative treatments such as these, we can change the outcome for thousands of our patients and their families.

Mr. Murray Glendining: I'm also pleased to be here to showcase examples of our world-class hospital-based research.

London Health Sciences Centre is one of Canada's largest academic teaching hospitals, and we recognize that research and patient care go hand in hand. We value support for new ideas, treatments and technology that are tested and implemented in our hospitals to ultimately improve patient care in London, across Ontario and beyond.

Most medical treatments are designed for patients in the one-size-fits-all approach. This means that they may be successful for some patients, but not for others. For example, a percentage of patients will not process medications as intended, which can reduce the effect, or worse, cause an adverse reaction.

Personalized medicine is a novel and emerging field that uses an individual's genetic profile, environment and lifestyle to guide decisions related to the prevention, diagnosis and treatment of disease. In turn, we can provide the right dose of the right treatment at the right time.

The personalized medicine research at University Hospital is the first clinic in Canada to manage drug therapy based on each patient's unique makeup. They do this by analyzing how someone's body is metabolizing and using a drug and specifically adapting the treatment approach for such a person. There have already been successful results for hundreds of patients on blood thinners and other cardiovascular medications.

Through funding, the program is working to expand and is undertaking research in many areas, including a comprehensive study of the medications used in chemotherapy to individualize treatment for both adults and children, a personalized approach for enhancing drug safety for the growing number of elderly patients, and how to integrate the results seamlessly into electronic health records and provider order entry.

1600

This kind of research has the potential to fundamentally transform the way care is provided in hospitals and in

the community. Personalized gene testing for precise diagnostics will increase patient safety and quality of care. We see strong potential to reduce in-hospital stays by improving patient flow, freeing up beds and reducing costs associated with treatments and adverse drug reactions. Moreover, research in precision medicine creates new intellectual property and technologies, with the related genomics and data management creating highly skilled jobs and training.

Ms. Karen Michell: I hope those stories help you to understand why health research really matters in our province. But the current challenge for health research is sustainability.

In last year's budget, we were very grateful to see the continuation of the Ontario Research Fund. But, frankly, we're equally disappointed that there was a pause in funding for the Health System Research Fund. It was that \$12-million fund that in earlier years had supported research that led to \$24 million in annual savings from one study alone—clearly a worthy investment.

We also know that the government is looking to transition the economy to a knowledge-based innovation economy. You have an innovation and knowledge-based foundation sitting right here in the province, in our research hospitals.

Recognizing that research hospitals can be a key contributor to the economy, we recommend:

(1) To continue to fund and drive discovery by maintaining the Ontario Research Fund, but also to reinstate the Health System Research Fund after the one-year pause.

(2) To invest in using research and evidence by supporting the translation of research discoveries into health care practices by investing \$3 million annually in the ARTIC program, which stands for Adopting Research to Improve Care. That ensures that we use discoveries across Ontario quickly.

(3) Finally, we would like to see that all hospitals are adequately funded to deliver on their mandates to advance world-leading patient care and contribute to a high-quality health care system. Financially health hospitals allow the research enterprise within our hospitals to flourish.

As the government moves forward with its laudable goal of transitioning to an innovation and knowledge-based economy, Ontario's research hospitals are ideally positioned to contribute. Health research is helping to make Ontario healthier, wealthier and smarter. With these recommendations, we're confident that this can continue to be achieved.

Thank you, and we welcome your questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. The questions will be from MPP Dhillon.

Mr. Vic Dhillon: Thank you for appearing before the committee today. This year, our government invested an additional \$485 million in hospitals across Ontario. In addition, our government continues to make investments in all parts of the health care system, including home care, community care, primary care and long-term care.

However, we're seeing a shift. More patients would prefer to receive care in their home, which is where we continue to invest. To meet the needs of our patients, how do we meet the demand for home and community care while maintaining a sustainable health care system?

Mr. Murray Glendining: We totally support the government's direction to invest more in the community, but we do have to start breaking down some of the barriers between the different parts of the system: home care, long-term care, acute care, complex care, mental health. A lot of this is about making sure that we can move seamlessly across the continuum and making sure that we don't have bottlenecks as patients migrate from one section to the next.

We are making progress. We have a way to go. The hospitals play a key role in that. I think, as hospitals, we are starting to say, "We have to think beyond our walls." We are working more closely with our community partners, but we still do have issues to deal with some of the barriers that are inherent in moving between the different systems.

Dr. Gillian Kernaghan: If I could give you an example where research is informing that, we have a stroke rehabilitation program in one of our sites. We established, as an innovative model of care, three home stroke rehabilitation teams to provide rehabilitation in the home. It means that people now with milder strokes don't go into hospital for rehabilitation; they have it in their home.

But it's the researchers that showed the evidence that you can get as good outcomes, and sustain those outcomes with home-supported expertise in the home for post-hospitalization rehabilitation after a stroke, as you could in a hospital. That has allowed the hospital resources to be used for people with more serious strokes who can't be cared for in the home.

It's the clinical interface between home and the hospitals that is part of the research that we're doing.

Mr. Vic Dhillon: So you would be very much in favour of the fact that home care does deliver greater outcomes for patients?

Mr. Murray Glendining: Oh, absolutely, we do. We truly do believe in the community. I would say that if you look at what's happening inside hospitals today and you look at the number of patients who are inside hospitals who do not need to be there because they have finished their acute-care episode of treatment and care, they are housed there because there are not adequate resources in the community. We've got to work as a system to solve not just the health care problems but also some of the infrastructure problems around affordable housing and other issues as well.

Ms. Daiene Vernile: Is there time to ask one more question, Chair?

The Vice-Chair (Ms. Ann Hoggarth): Yes, MPP Vernile.

Ms. Daiene Vernile: Karen, you made reference to the \$12-million fund that led to a \$24-million annual savings from one study alone. I'm very curious: What was that study?

Ms. Karen Michell: I'm delighted to tell you about it. It was out of St. Michael's Hospital in Toronto, and it was funded by the Health System Research Fund. The study was about whether the daily use of test strips for type 2 diabetes helps to manage their disease or not. In fact, it found that it does not help manage the disease. As a result, the Ontario Ministry of Health and Long-Term Care was able to stop funding those diabetic test strips, and that's how they ended up saving \$24 million each and every year.

For the diabetic patients who no longer need to manage their disease by using that strip every day, it's also more convenient.

As Gillian and Murray have been demonstrating, the research enterprise is helping us to get better care for our patients as well as making economic contributions and, ideally, savings for the health care system as well, which this study does demonstrate.

Ms. Daiene Vernile: That's great. Thank you.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. If you have further written submissions, you could get them to the Clerk by 5 o'clock tonight.

Ms. Karen Michell: Thank you.

COMMUNITY LIVING ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): I'd like to call up Community Living Ontario. Good afternoon, and welcome. Thank you for coming. If you would identify yourself for the purposes of Hansard. You will have up to 10 minutes for your presentation and then up to five minutes of questioning from the PC Party and MPP Yurek.

Ms. Jill Teeple: Good afternoon. My name is Jill Teeple. I'm a member of the board of directors for Community Living Ontario. This is James Taylor, the chair of the Community Living Ontario council, a self-advocacy group that helps to guide the work of our association; and Keith Dee, who is director of membership at Community Living Ontario.

Okay?

The Vice-Chair (Ms. Ann Hoggarth): Yes, go ahead.

Ms. Jill Teeple: I'd like to thank you for the opportunity today to present to you on behalf of our more than 100 local organizations that provide support to people who have an intellectual disability and their families.

We've provided you with a brief that outlines our issues and recommendations. James and I will use our time this afternoon to provide you with some highlights of that brief.

A quick history: In 2014, the government made a three-year investment that increased annualized funding in the developmental services sector by more than \$300 million.

Following the investigation into the problems in the availability and delivery of support to people who have an intellectual disability and their families, in August

2016 the provincial Ombudsman released his report *Nowhere to Turn*.

Community Living Ontario applauds the actions taken by the government and the Ombudsman. We recognize that there have been a number of good things that have resulted from the increase in funding for our sector.

We've seen an expansion of residential supports for transitional-aged youth who are moving from the children's sector into the adult sector.

We saw some money set aside for residential placements for families in crisis, although we respectfully suggest that it isn't enough.

We saw significant reduction in the wait-list for the Special Services at Home program, and saw a number of families who were waiting for Passport funding receive that support.

Given the depth of the crisis that the sector faces, however, there's still a lot more work that needs to be done.

1610

Some statistics to illustrate that point: As of March 2016, there were more than 14,800 people waiting for daily living supports or Passport funding. Of the 14,900 people on the wait-list for residential support, 9,700 need a supported place to live now. It has taken us almost 60 years to create 16,000 residential spaces in the province. To clear the wait-list of people who need a place to go right now, 60% of those spaces would have to turn over. The crises that prompted the Ombudsman to launch his investigation are still happening in many families in Ontario. Many people with disabilities live in poverty. Finally, agencies that provide supports to people have not yet received increases to core funding for seven years and are finding it increasingly difficult to operate.

In order to address the issues facing people, we recommend that the 2017 budget address the shortage of supports and services by ensuring ongoing investment in new and innovative residential services that expand capacity and adhere to the principles of inclusion and independence; supports for youth transitioning to adult services from child welfare that are in addition to existing funded spaces; and a commitment to expand funding to the service providers, and measures to ensure quality assurance and community participation.

Next, we'd like to talk about some of our ideas that would help alleviate some of the effects of poverty that so many people with disabilities face. I'd like to ask James to provide you with some of his insights in this area.

Mr. James Taylor: Thank you, Jill.

I'm here today to talk a bit about poverty and the harm it causes. Poverty, for many people who have an intellectual disability, is the biggest barrier to living a decent life. How can anyone feel safe and secure when they don't have enough money to meet their basic needs? You can't dream about a better future when you are worried about getting through the day without proper food or having a good place to live or not being able to

afford to take the bus. When you are poor, nothing else matters.

Living in poverty brings with it stress. Poverty can affect your health, your self-esteem and your ability to live independently.

Many of the people I have come to know live in poverty. Many have lived in poverty their whole life. Many want a good job.

Being poor is not a good way to live. Being poor is hard, and it should never be seen as an acceptable way to live, especially by the government.

People deserve to be treated with dignity. I know that last year, ODSP went up by only 1.5%, but 1.5% is not enough to cover the cost of living. The government needs to provide more this year and to consider the recommendations Jill discussed today. The government needs to view people who have an intellectual disability as a priority.

People want to live a good life, and they want to be active and engaged in the community, like any other citizen.

Thank you for your time. I'll turn things over to Jill.

Ms. Jill Teeple: Thanks, James.

Here are some of our ideas for addressing the issues that James has articulated.

The Ontario Disability Support Program provides people with disabilities with income supports to address daily living expenses. Financial eligibility for ODSP is affected if a recipient's non-exempt assets exceed \$5,000, or if a recipient receives more than \$6,000 in the form of voluntary gifts or payments in any 12-month period. These restrictions mean that it's very difficult for ODSP recipients to build a financial safety net or to receive funds from supportive family members, friends or allowable trusts.

We are recommending changes to the voluntary gifts limit, to be the same as those in place in Alberta and British Columbia. That is, we're recommending that the regulations in Ontario be amended to completely remove the \$6,000 limit on voluntary gifts and payments. Families should be able to help out their family members without risking ODSP benefits.

As we have also seen in place in Alberta and British Columbia, we are requesting that the non-exempt asset limit be increased to \$100,000 for a single recipient and \$200,000 if there is a spouse in the benefit unit.

Just a personal story: I know a man who acquired a disability in an accident. He's still able to work. He works full time. He makes about \$32,000 a year. He's not able to save money in an RRSP for his retirement because he cannot exceed the \$5,000 exempt asset limit. But he is dependent on the drug benefits card to help him pay for his anti-seizure medications. He receives no ODSP income supports, but he does have that access to the benefits card.

One last recommendation on ODSP legislation: Currently, a person can earn only up to \$200 a month in wages without having their ODSP clawed back. We're asking for that to be increased to \$800 a month. This

combined income from wages and ODSP income at that level would result in a person earning about the equivalent of living at the poverty line, or the low-income cut-off, before ODSP income supports were reduced. This too is legislation that has been adopted in Alberta and British Columbia.

We believe that implementation of these recommended changes in Ontario could result in a more efficient system. We also believe that it's time for Ontario to implement a more progressive income support system that would allow people with disabilities and their families some opportunities to find a way out of poverty.

Finally, we'd like to recommend some much-needed investment in the agencies that provide supports and services. Base budgets of developmental service agencies haven't increased in seven years. This has eroded the ability to expand capacity, develop new services that increase opportunities and maintain service levels.

Pay equity and the gender gap continue to seriously destabilize many developmental service agencies. It's important that the government funds pay equity agreements to enable agencies to attract and maintain professional, experienced staff. Without stable quality supports and services by agencies that adhere to quality assurance and safety measures, people are negatively impacted.

We recommend:

- that developmental service agencies' operating budgets receive a new infusion of funds. It's estimated that a 2.5% increase in base funding per year for three years, which is \$50 million a year, would restore stability to agencies and enable them to continue providing quality supports and services; and

- that pay equity regulations be examined and measures taken to reduce hardship on the agencies, so that they can maintain the high level of quality supports that people are used to.

Thank you again for this opportunity to present our ideas. James and I would be happy to address any questions.

The Vice-Chair (Ms. Ann Hoggarth): Thank you. MPP Yurek.

Mr. Jeff Yurek: Thanks for coming out, Jill and James. I appreciate the comments.

I really like the recommendations you've put forward. Our party has long advocated for removing that clawback when anyone seeks employment. I think that only enhances and helps elevate people out of poverty. If the government is unable to match the natural increase of costs in our living—life is unaffordable now—at least some form of employment can help breach that barrier. I fully support that, 100%. I hope that they listen and bring that forward in the budget.

The other part where you talk about someone receiving a gift: I'm a pharmacist by trade. One of my clients some time ago received an inheritance from his mother, and it was sizeable. If he was allowed to invest and take income from it, he would be fine. But it's capped at \$6,000, which doesn't get you very far.

He chose to leave the system and live off the money. Within eight months, he had spent the whole inheritance and was back on ODSP. I'm sure his mother didn't save that money to give to him when she passed on to be wasted in eight months. That's a terrible, terrible story. I think that government in general could do better to ensure that doesn't happen.

Lastly, your comments on pay equity and the gender gap: This is the only government that walked away from helping Community Living support to ensure—I have Community Living Elgin in my riding, which had devastating cuts last year. Because of the pay equity situation, they were forced to make cuts. I talk to Oxford quite often. I don't want to bring up their situation, but it's a tough ongoing battle with them.

I don't know if you want to add to any of the comments I've made.

Ms. Jill Teeple: Would you like to comment?

Mr. Keith Dee: James, if don't mind?

Mr. James Taylor: Sure.

Mr. Keith Dee: I agree tremendously with what you're saying. The idea that the ODSP is cut off at such a low rate in terms of savings, in terms of gifts, seems counterproductive. The story that you just said is quite a common one all over the province: People will go off of ODSP because of a gift they received, their funding dwindles and it's back to ODSP. The alternative could be investing that, living in better places, living in places where they don't have to fear for their safety, supplementing their diet so they can eat properly or being able to afford to do all the things everyone else wants to do in life. So thank you for saying that.

1620

Mr. Jeff Yurek: Transportation to work.

Mr. Keith Dee: Pardon me?

Mr. Jeff Yurek: Transportation—

Mr. Keith Dee: Transportation to work is another one altogether, exactly.

Ms. Jill Teeple: James has often told the story of friends who have to choose between new winter boots and a bus pass this month.

Mr. Jeff Yurek: Well, I hope we can do better for you, James, and everyone in Community Living.

Mr. James Taylor: Thank you. I know some people that have to rely on the food bank to get the basic needs that they need because they can't afford to go to the grocery store. Or if they have to go to work, sometimes it's hard to get to their work because they don't have enough money to afford a bus pass to get them there. It's kind of hard and tough for people that rely on ODSP, when they don't have enough money to get them to places that they need to go to.

Mr. Jeff Yurek: I totally agree. If you don't have a good place to live and you don't have proper food to eat, you actually end up using more of the services needed in the province, which is another cost. As I said, there are barriers in the way that we can be removing to enhance living in Ontario.

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation, and, James, thank you for telling us in such a great way about the situation.

Mr. James Taylor: Thank you.

The Vice-Chair (Ms. Ann Hoggarth): If you have another written submission, if you want to submit it, it must be in before 5 o'clock tonight to the Clerk.

Ms. Jill Teeple: Okay. Thank you.

Mr. Keith Dee: Thank you very much.

ASSOCIATION
OF MUNICIPAL MANAGERS,
CLERKS AND TREASURERS OF ONTARIO

The Vice-Chair (Ms. Ann Hoggarth): I'll call up our last, but certainly not least, presenter: the Association of Municipal Managers, Clerks and Treasurers of Ontario.

Ms. Daiene Vernile: Did you say it's the last, Chair?

The Vice-Chair (Ms. Ann Hoggarth): Yes, it is.

Ms. Daiene Vernile: So Greater Toronto Airports is not—

The Vice-Chair (Ms. Ann Hoggarth): They cancelled earlier in the day.

If you would identify yourself for the purpose of Hansard. You have 10 minutes for your presentation and five minutes of questions from MPP Vanthof.

Mr. Rick Johal: Thank you. Good afternoon. My name is Rick Johal, director of member and sector relations at AMCTO. Today, I'm going to be pinch-hitting for our president, Steph Palmateer, who is the city clerk in Timmins. I would like to thank Air Canada—

The Vice-Chair (Ms. Ann Hoggarth): Excuse me, could I ask you to speak—

Mr. Rick Johal: Sorry.

The Vice-Chair (Ms. Ann Hoggarth): Yes, pull the mike a little closer.

Mr. Rick Johal: I'm speaking on behalf of Steph Palmateer, our president, who is unfortunately not able to attend. I'd like to thank Air Canada for the cancelled flights out of Timmins this morning. Unfortunately, he's not able to join us today, but I'll convey his remarks.

AMCTO is Ontario's largest voluntary association of local government public servants. With over 2,000 members working in almost every municipality in Ontario, we are one of the largest professional associations. We view it as important, as an association, to work with our colleagues at AMO and other municipal associations to promote leadership, professionalism and good governance in local communities. Although our name may say "clerks and treasurers" and it's tied to our history, we have a diverse membership made up of senior municipal professionals working across a range of service areas. Approximately half of our members are made up of chief administrative officers from local governments and senior managers from a variety of different service areas.

I'd like to talk to you today about some of the challenges facing Ontario's municipal sector. As you can see in our submission, we have proposed a number of

recommendations that we believe will lead to better local government and ultimately stronger communities. Those of you who have served on local councils will know how important local governments are to the lives of Ontarians.

I'll start by discussing our recommendations on fiscal sustainability. As I am sure many of you are aware, this issue is top of mind for those serving in municipal governments—councillors and public servants alike. Many municipalities are concerned about their ability to continue to provide high-quality services as operational costs are projected to grow significantly over the coming decade. Yet despite all of this fiscal pressure facing municipalities, they have relatively limited sources of revenue and are left to fund most of their operations through the property tax alone. When we surveyed our members to ask them about fiscal sustainability, 70% of them said that they did not think municipalities were fiscally sustainable, while 89% agreed that municipalities are in need of new revenue tools.

One of the biggest expenditures for municipalities is focused around emergency services, which continue to rise at a higher rate than all other public services. Municipal councils have little control over those costs because, while they are responsible for funding emergency services, they have few legislative or administrative levers to control the activities or decisions of those services. Similarly, the province's interest arbitration system continues to erode the power of municipalities to negotiate contracts and wage increases with both fire and police services.

We also have grave concerns about the financial impact of the province's joint and several liability tort system, which requires that municipalities who are defendants in a civil suit and found as little as 1% at fault can still be made to pay 100% of the damages. Joint and several liability places a disproportionate liability on municipalities and, in many cases, has caused municipalities to offer generous out-of-court settlements to avoid protracted and expensive litigation. Other jurisdictions have found ways to address this inequity, and it is time that Ontario does the same.

The fiscal challenges facing the municipal sector are complex. There is no single one solution. Every community faces its own unique challenges and has its own unique needs. Rather than having the province look for a one-size-fits-all solution, our recommendation is for the government to consider giving municipalities access to new revenue tools and allowing them to decide what's right for their community.

Moving on to infrastructure: We also believe that it is vitally important for the province to continue its investments in infrastructure. The infrastructure deficit is perhaps the most significant fiscal pressure facing municipalities in Ontario.

Local governments in this province own more infrastructure than any other level of government, including more than 140,000 kilometres of roads and 15,000 bridges and large culverts. As you all know, much of this infrastructure is nearing the end of its life cycle. In 2008,

the infrastructure deficit was estimated to be approximately \$60 billion, not including parks and recreation facilities or social housing units, which were valued at an additional \$40 billion. I think it's safe to say that this gap has grown significantly since then.

AMO predicts that municipalities would have to substantially raise property taxes over the next 10 years to meet their infrastructure commitments. However, this is not an option for municipalities, whereby only a few have a large enough or growing tax base to support that. Small communities and those that are in economic decline or have a substantial infrastructure backlog are not able to solve this problem on their own.

Recent commitments, such as the introduction of the gas tax back in 2004, are helping municipalities to confront this challenge. Similarly, commitments made by the province in the last two budgets and the federal government in its last budget were greatly appreciated. However, the infrastructure gap remains and further investments are still needed. Some 59% of our members said that while investments made by the province in the last two budgets were appreciated, they had not made a significant difference in the infrastructure needs within their community.

We would urge the government to continue to roll out its pledged investments in infrastructure and commit to new money in this budget to encourage further investments. We would also like to see the provincial government work closely with the federal government to negotiate a phase-two infrastructure deal that is good for municipalities. We think the criteria set out by the Federation of Canadian Municipalities is a good starting point.

Third, one of the most important priorities for AMCTO is the growing amount of reporting that municipalities do to the province. While we know that reporting to the province is important, over the past several decades, the municipal-provincial reporting relationship has gotten a bit out of control. As new requirements have been added, too few have been taken away. I know from my own experience that reporting can be a significant drain on resources. The way that it is currently structured is onerous, excessive and often the purpose is unclear.

Over the past six months, our organization has been conducting research for a report on the municipal-provincial reporting relationship. This will be released in a few weeks' time. Our research has found that the province collects hundreds of reports from municipalities every year. In fact, some municipalities complete over 200 different reports every year.

Most alarmingly, our research indicates that the reporting to the province is having a negative impact on service delivery in many municipalities. For instance, as part of our research, we found that 48% of municipal public servants agree that provincial reporting requirements are impacting their ability to productively deliver these services. Similarly, 75% of respondents agree that provincial reporting is too time-consuming and 73% agree that it is too onerous. While we have more detailed

recommendations in our report, as a first step, we would encourage the government to commit to working with the municipal sector to fix the reporting burden.

Finally, I'd like to talk about succession planning, which is an issue that is very important to our current president, Steph Palmateer, and to our association. All sectors of the Canadian economy are preparing for substantial turnover as the baby boom generation prepares to retire, but the public sector generally has an older workforce and is more vulnerable to the effects of demographic change. For instance, a recent survey of our members showed that within the next five years, one third plan to retire. That number jumps to 50% within 10 years. As these experienced municipal public servants leave, they will take a significant amount of accumulated knowledge, expertise and experience with them. While this provides an exciting opportunity for new professionals and new ideas to enter the sector, it also presents the same individuals with a steep learning curve.

The challenge of succession planning and capacity building in rural, remote and northern communities is especially challenging. It's an issue that AMCTO and other associations have prioritized through our previous municipal management internship program and the Onward Initiative. However, while every municipality bears responsibility for its own strategic planning and ensuring that it is prepared for the future, we believe that this continues to be an area where modest investments from the province could go a long way.

Thank you very much for your time. We're happy to answer any questions you might have.

1630

The Vice-Chair (Ms. Ann Hoggarth): Thank you for your presentation. MPP Vanthof.

Mr. John Vanthof: Thank you, Rick, for making a great presentation, and give my regards to Steph. Steph started his municipal career in Evanturel township when I was a councillor in Evanturel township. Hopefully we've both progressed since then.

I'm going to start from back to front. It's something that we don't think about often in the municipal world—succession planning—and particularly in smaller and, in my case, more remote municipalities, where you have one or two people who kind of run the show. That's perhaps different in bigger cities, where you've got department heads, but there are many sizable municipalities who don't have that, who just have one head of all the departments. Could you elaborate on what you think would be a good way to promote succession planning in municipalities?

Mr. Rick Johal: I can give you a good example. Our previous municipal management internship program was a program whereby the Ministry of Municipal Affairs funded 50% of a year-long internship, which was a program structured where interns could come in and get experience in a number of different service areas. The program was most effectively utilized by smaller communities because, like you said, if staffing is one to two or three to five individuals, oftentimes it is difficult to

attract a younger individual to, necessarily, relocate to a jurisdiction that may be further than the GTA, where the talent pool tends to reside.

The program was able to attract individuals to communities up in Dubreuilville and Evanturel—a bunch of those communities. What often happened was that those individuals were retained. They were mentored for the year and then offered full-time positions and, in many cases, have assumed leadership roles since then. Some of our reporting on the program is really quite compelling on the number of folks who have been able to remain in those organizations after just one year of an internship. But it is a compounded problem in smaller communities, that is for sure.

Mr. John Vanthof: I think it's safe to say that a program like that could—in the case of the municipal taxpayer, but it's all the same taxpayer—conceivably, for a small amount of money, overall save the taxpayers a lot of money in mistakes.

A different one, going back again: the reporting burden. I can remember, and I still hear about it when I talk to my municipalities and to municipalities across the rural part of the province, the famous asset management plan. It takes longer to put together the asset management plan than it actually takes to service the assets. I don't think it's a fact that the municipalities don't want to have a plan in place; it's just that a plan for a city, a plan for London or a plan for Brampton, where we were yesterday, is different than a plan for Dubreuilville. Could you comment on that?

Mr. Rick Johal: Absolutely. I think one of the important things in our research was that around 85% to 90% of municipal employees recognized that reporting was important. What they found challenging was the nature of that reporting. The city of Mississauga wouldn't do the same type of reporting, in many cases, that the town of Wawa would. So there was some disparity in terms of what was being asked, and clarity as to why it was being asked.

A lot of what we had also found out was that a lot of this is historical, especially in the area of social services and human services. We saw municipalities looking back to 2014 and 2015 and doing reporting as opposed to looking forward as to how they could optimize service delivery for their citizens, and making sure that those services are delivered in an effective way.

Certainly it's wrought with issues. I think it's one of the areas where the province has made some progress in the small business sector but not so much within the

public sector. I think what we feel is that an issue in the municipal sector probably is also an issue in the broader public sector as well.

Mr. John Vanthof: Regarding infrastructure, I think one of the problems—and, again, I'm going to focus more on small municipalities because that's what I know—is that after the Harris government downloaded a lot of structure to the municipalities—and there have been attempts to upload some of it—a lot of the bricks and mortar, specifically roads and bridges, that have, really, nothing to do with a municipality, are now falling apart, and they don't know how to pay for them. Would that be a fair statement?

Mr. Rick Johal: Absolutely. I think what we hear from our members is that there is this looming burden, and unfortunately we're getting to the point where there are not sufficient plans and financing in place to catch up with where the state of the infrastructure is. In some respects, we've heard—and this is fairly anecdotal—we're waiting for the infrastructure to fall apart, as opposed to planning ahead to make sure that those infrastructure pieces are effective.

I think in some areas, the funding has been better. It's certainly tied to some reporting. For water and waste water, we're very good in those areas, but there are other areas, harder infrastructure pieces, that are struggling.

I guess there are some challenges right now, even though there are pots of money in the province, pots of money at the federal level, in terms of getting that money flowing in a way that works. One of the things that works—

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much.

Mr. Rick Johal: If I could just add—one of the ways that that concludes is through that federal-provincial funding arrangement around phase 2 infrastructure funding.

The Vice-Chair (Ms. Ann Hoggarth): Thank you very much for your presentation. You have about 20 minutes if you want to put a further written submission in. It has to be in to the Clerk by 5 p.m.

Mr. Rick Johal: I will find myself a WiFi signal. Thank you. I appreciate your time. Have a good rest of your day.

The Vice-Chair (Ms. Ann Hoggarth): This committee stands adjourned until Thursday, February 9, when we will meet in Toronto for the purpose of report writing.

The committee adjourned at 1636.

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